A deal king's latest takeover target: HK$1 million white truffle
WEALTH 13

The crackdown Obama didn't see in China
EDITORIAL & OPINION 19

Australia: A$6.00(Incl GST), Brunei: B$5.00, China: RMB25.00, Hong Kong: HK$18.00, India: Rs25.00, Indonesia: Rp18,000(Incl PPN), Japan: Yen500(Incl JCT), Korea: Won2,500.
Malaysia: RM6.00, Pakistan: Rs80.00, Philippines: Peso80.00, Singapore: S$4.00(Incl GST), Sri Lanka: Sirs180(Incl VAT), Taiwan: NT$60.00, Thailand: Baht50.00, Vietnam: US$2.50
KKDN PPS 648/11/2010 (028507) KKDN PP 9315/10/2010 (025811) MICA (P) NO. 048/10/2009 SK. MENPEN R.I. NO: 01/SK/MENPEN/SCU/1998 TGL 4 SEPT 1998

THE WALL STREET JOURNAL.

VOL. XXXIV NO. 58 (India facsimile VOL. 1 NO. 119) * * ASIA Thursday, November 19, 2009
DOWJONES A NEWS CORPORATION COMPANY asia.WSJ.com

Pro-U.S. rally in South Korea welcomes President Obama

Reuters

Anti-North Korea and pro-U.S. activists scuffle with police in Seoul on Wednesday ahead of U.S. President Barack Obama's arrival. **3**

MUFG bows to regulators

By Alison Tudor And Atsuko Fukase

TOKYO—Under pressure from global regulators, Japanese banking giant **Mitsubishi UFJ Financial Group** Inc. scaled back its ambitious brokerage merger with **Morgan Stanley** in Japan and said it plans to issue up to one trillion yen ($11.20 billion) of new shares to shore up its balance sheet.

Both moves are partly designed to ease concerns from government officials in the U.S. and Japan about banking soundness in the wake of the financial crisis. Regulators worried that the proposed merger, as originally envisioned, would diminish Morgan Stanley's ability to oversee the assets on its balance sheet. Officials also have raised questions about whether Japanese banks have adequate cushions to weather another big storm.

But the steps could have negative consequences for MUFG, Japan's largest bank by assets. By curtailing its control over the joint venture, MUFG risks limiting the degree of financial know-how it can glean from the U.S. investment bank. That had been a key reason for its $9 billion investment in Morgan Stanley last fall.

The share offering was widely anticipated, and MUFG's share price has fallen in recent weeks partly as a result. The sale would be the largest ever by a Japanese financial institution. MUFG's shares closed down 0.6% ahead of the announcement.

Separately Wednesday, MUFG reported that group net profit for the six months ended in September soared 53% thanks to gains in trading. Analysts said the results were largely in line with expectations.

The MUFG-Morgan Stanley alliance began last year after Lehman Brothers collapsed and the U.S. investment bank's share price spiraled down, forcing Morgan Stanley to seek a quick lifeline from Tokyo. MUFG and Nomura Holdings Inc. seized on Wall Street's hardship as an opportunity to expand beyond their overbanked home market and build a global client base.

Morgan Stanley has since regained its footing, returning to profitability and repaying the U.S. government for an emergency injection of funds. The investment bank's share price has risen from a low of $6.71 in October last year to above $30. Rumors started to circulate that it did

Please turn to page 24

Maxis IPO to fund India expansion

By James Hookway

Southeast Asia's largest-ever initial public offering—Malaysian mobile-phone operator **Maxis** Bhd.'s $3.32 billion listing on the Kuala Lumpur stock exchange, which begins trading Thursday—provides founding shareholder T. Ananda Krishnan with some fresh ammunition in his quest to crack India's fast-growing wireless market.

He'll need it, analysts say. The Indian mobile market is a crucial plank in the Malaysian tycoon's efforts to create a pan-Asian telecom and media empire, but it is an increasingly expensive market to break into. Over the past few years, foreign players, including Vodafone Holdings PLC, **NTT Docomo** Inc. and **Singapore Telecommunications** Ltd., have flowed into India, contributing to an intense price-cutting war that is eating into the profits of established players and threatening the survival of newer entrants.

Reuters

A woman uses a mobile phone behind a Maxis logo at its headquarters in Kuala Lumpur.

Industry analysts say a sharp consolidation is in the cards, and that could challenge smaller players like Mr. Krishnan's **Aircel** Ltd. Aircel is 74%-owned by Maxis's parent company, unlisted **Maxis Communications** Bhd., of which Mr. Krishnan is the controlling shareholder.

"It's going to be difficult for anybody outside the top five to survive in the long-term," says Kunal Bajaj, New Delhi-based managing director of the BDA Connect Pvt. Ltd. consultancy. "The name of the game is to keep expanding in order to be in a good position to merge when the consolidation comes. That way you can maximize your profits."

The main problem for Aircel, the seventh-largest player in the market, is the need to spend heavily on rolling out its network across the country while also lowering prices to lure subscribers.

Maxis officials and Mr. Krishnan declined to be interviewed for this article, but in the lead-up to the IPO,

Please turn to page 24

A leader in Asia's financial flow markets.
No.1 FX House in Asia[1]
Best at FX Management in Asia[2]
A Passion to Perform.
Deutsche Bank
1 Euromoney FX Poll 2009. 2 Euromoney Awards for Excellence 2009.
This advertisement has been approved and/or communicated by Deutsche Bank AG and appears as a matter of record only. Copyright © Deutsche Bank AG 2009.

PAGE TWO

What's News—

* * *
Business & Finance

■ **Cadbury said** it would consider a serious takeover bid but has yet to receive one and is instead focused on delivering value as a stand-alone company. Hopes of a bidding war pushed up the U.K. confectioner's shares after Hershey and Ferrero said they might compete with Kraft's offer. **25**

■ **Delta Air Lines** and its SkyTeam alliance partners said they would provide a $1.02 billion funding package to lure JAL from the rival Oneworld alliance. **25**

■ **The value of resource projects** in Australia that are in development jumped in the six months to October. **6**

■ **Some big U.S. power firms** are teaming up with Chinese partners, seeking access to the cash and technology offered by China's energy sector. **8**

■ **U.S. home construction fell** unexpectedly in October, leading some analysts to trim fourth-quarter economic-growth forecasts. **8**

■ **U.S. stocks fell** after disappointing earnings guidance from technology firms and a decline in home construction and building permits. Shares in Japan fell on concern over equity issuance among financial firms. **35**

■ **John Paulson**, who made about $20 billion in profits wagering against the housing market and financial companies, is launching a fund dedicated to bullion-related investments. **31**

■ **GOME's earnings declined** 39% in the year's first nine months, though the Chinese electronics retailer said same-store sales have turned upward. **27**

■ **AXA Asia Pacific met** with shareholders as it stepped up its defense against a $11.17 billion joint takeover bid from its French parent and Australia's AMP. **30**

■ **Fonterra Co-operative Group** said its 10,500 farmer shareholders approved a capital restructuring of New Zealand's largest company by sales and value. **29**

■ **Citic Pacific appointed** a new managing director after the former incumbent resigned earlier this year following losses on foreign-exchange derivative contracts. **33**

■ **China's ZTE plans** to launch a new smart phone based on Google's mobile-operating system next year and is in talks with carriers to supply the phones. **28**

■ **The TARP inspector general** said Goldman Sachs would have suffered material losses had the U.S. government allowed AIG to collapse. **31**

■ **Chinese property developer** Fantasia raised $400 million in a Hong Kong IPO. **33**

■ **The Philippines' budget** deficit widened to a record $5.71 billion in the 10 months to October, and is projected to worsen. **6**

■ **China Metal Recycling asked** its auditor to review its earnings after its former chief financial officer alleged he was denied proper access to the firm's financial information. **33**

* * *
World-Wide

■ **Barack Obama arrived** in South Korea, ready to solidify a unified approach toward North Korea but facing friction over free trade with the South. It will be the U.S. president's final stop on his Asian tour, after a rocky few days in China . **3**

■ **Hillary Clinton made** an unannounced trip to Afghanistan for Hamid Karzai's inauguration. **7**

■ **Pakistani commanders said** most of the militants believed to be in South Waziristan when the army invaded have now fled. **4**

■ **Iraq's Sunni Arab** vice president vetoed part of a key election law, throwing national polls slated for January and a planned U.S. troop drawdown into question. **WSJ.com/world**

Reuters

Hong Kong Chief Executive Donald Tsang laid out constitutional changes toward eventually holding direct elections, but the proposal drew criticism from pro-democratic lawmakers who called it a stall tactic. 4

Inside

Tata chairman doesn't sweat timing of expansion. **22-23**

Lawsuit shines an unwanted light on Fiat family. **20-21**

Carlos Ghosn turns his focus to the Nissan Leaf. **26**

Japan's megabanks come back for more capital-raising. **40**

ASIA ONLINE TODAY

Most read in Asia

1. China's Limits Foil Obama Charm
2. Obama, Hu Highlight Cooperation
3. U.S., China in Strained Diplomatic Pact
4. A Hint of Hype, A Taste of Illusion
5. App Developers See Opportunity in China

Most emailed in Asia

1. A Hint of Hype, A Taste of Illusion
2. China Grapples With Yuan Pressure
3. Data Reveal Cardiac Death's Toll
4. Opinion: A Dollar Warning From Asia
5. Ten Questions on the Housing Market

Venture Capital

blogs.wsj.com/venturecapital

Corporate investors have an advantage over their venture capital peers when it comes to investing in Chinese start-ups.

Continuing coverage

President Obama spends his last day of his trip to Asia in Seoul.

asia.WSJ.com

Digits

blogs.wsj.com/digits

While Tony Hawk has been a skateboarding legend since the 1980s, today there is a generation of kids who know him for his eponymous videogames.

THE WALL STREET JOURNAL ASIA
Dow Jones Publishing Company (Asia)
25/F, Central Plaza, 18 Harbour Road, Hong Kong
Tel 852-2573 7121 Fax 852-2834 5291
www.wsj-asia.com

SUBSCRIPTIONS and Address Changes, please telephone our local customer service hotline, Hong Kong/Taiwan: 852-2831 2555; Beijing: 86-10 6581 4090; Shanghai: 86-21 5836 8228; Indonesia: 62-21 344 1101; Japan: 81-3 3595 7555; Korea: 82-2 756 1695; Malaysia: 60-3 2026 4061; Philippines: 63-2 848 5873; Singapore: 65-6415 4000; Thailand: 66-2 652 0871. Or email: service@wsj-asia.com

ADVERTISING SALES worldwide through Dow Jones International. Hong Kong: 852-2831 2504; Singapore: 65-6415 4300; Tokyo: 81-3 3292 4151; Frankfurt: 49 69 29725390; London: 44 207 842 9600; Paris: 33 1 40 17 17 01; New York: 1-212 659 2176. Or email: wsja.publisher@dowjones.com

Trademarks appearing herein are used under license from Dow Jones & Company. USPS 337-350ISSN 0377-9920

WORLD NEWS

Obama to press trade in South Korea

On final stop of Asian tour, U.S. president will focus on the stalled pact, as well as unified approach toward the North

By Jonathan Weisman And Evan Ramstad

Associated Press

U.S. President Barack Obama tours the Great Wall in Badaling, China, before his arrival in South Korea on Wednesday, where he is expected to address trade issues.

SEOUL—U.S. President Barack Obama arrived in South Korea, ready to solidify a unified approach toward North Korea but facing friction over free trade with the South.

The final stop on his Asian tour will offer Mr. Obama a respite after 2½ rocky days in China. White House aides said Mr. Obama is ready to discuss how to move forward on a U.S.-South Korea free-trade agreement that has been hung up for two years and faces new questions from the Obama administration over barriers to U.S. auto imports. That trade agreement is likely to top the agenda of his host, President Lee Myung-bak.

At the same time, Mr. Obama is preparing to dispatch Stephen Bosworth, his North Korea special envoy, to Pyongyang before the end of the year to press North Korea back to aid-for-disarmament talks with China, Japan, Russia, South Korea and the U.S.

Before arriving in Seoul on Wednesday night, Mr. Obama concluded his swing through China with extensive talks with Premier Wen Jiabao on the economy, followed by a tour of the Great Wall.

"It gives you a good perspective on a lot of the day-to-day things. They don't amount to much in the scope of history," Mr. Obama said after climbing a steep part of the Badaling section of the wall.

On Thursday, Mr. Obama will spend three hours with Mr. Lee, a conservative former businessman who became president last year and took a harder line with North Korea than his two immediate predecessors did. Mr. Lee ended a decadelong policy of economic aid to North Korea with no strings attached, insisting it be conditioned on progress on disarmament. When Mr. Obama took office in January promising to reach out to North Korea and other countries considered hostile by the U.S., some South Koreans feared the two countries' approach to the North would fall out of sync.

The two leaders are likely to spend more time discussing how to push forward the free-trade agreement the two countries concluded in April 2007 but didn't ratify.

Instead, North Korea tested weapons from March to July, including ballistic missiles and a nuclear device, and Messrs. Obama and Lee worked closely to impose new penalties on Pyongyang. And when North Korea in August turned on a charm offensive, as it has done after provocations in the past, the two leaders didn't budge.

In discussing preparations for Thursday's meeting, a senior aide to Mr. Lee noted that it was the first time in the nearly 20 years that North Korea has run its hot-and-cold pattern of diplomacy that neither the U.S. nor South Korea instantly dropped sanctions or penalties when Pyongyang shifted from belligerence to seeking talks.

The U.S. agreed last week to send Mr. Bosworth at North Korea's request, a step South Korea says it supports. But Mr. Lee is likely to seek assurance from Mr. Obama that the U.S. won't engage in prolonged talks with North Korea to the exclusion of South Korea and other nations in the multilateral talks.

The two leaders are likely to spend more time discussing how to push forward the free-trade agreement the two countries concluded in April 2007 but that hasn't been ratified by lawmakers in either one. South Korea's parliament has shied away from taking up the deal for fear of being embarrassed if the U.S. Congress rejects it.

The agreement, the largest free-trade deal the U.S. has negotiated since North American Free Trade Agreement with Canada and Mexico in the early 1990s, is expected to boost the $80 billion in annual two-way trade between South Korea and the U.S. by $10 billion to $20 billion about five years after ratification. U.S. food producers and auto makers stand to gain the most because Korean trade barriers are currently high in those markets.

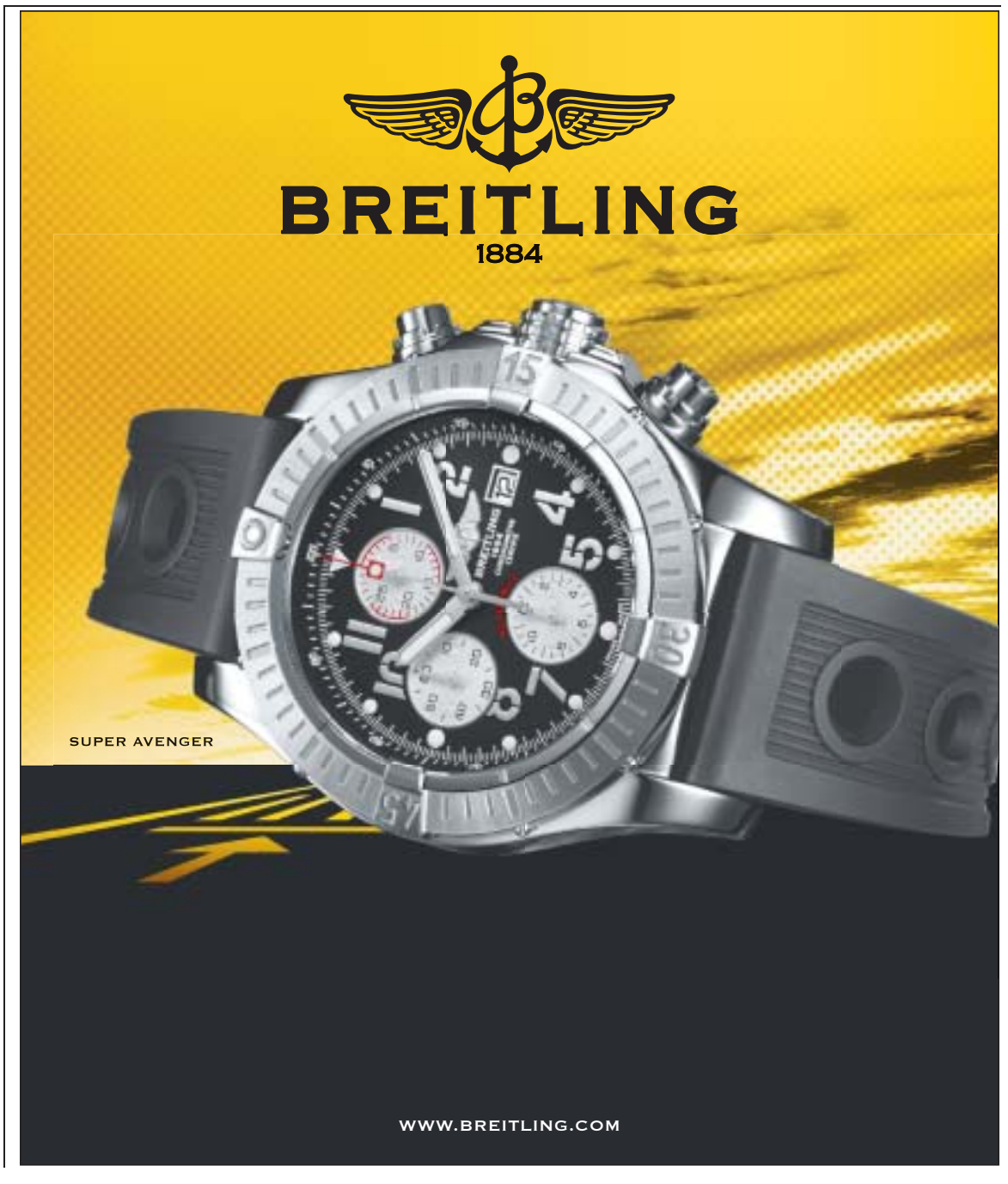
But U.S. officials in recent weeks have said they may want changes in the auto section of the agreement, though they haven't announced specifics. South Korean officials are reluctant to reopen the pact because of domestic political pressure. They also note auto tariffs in both countries evaporate immediately upon ratification and there is a so-called snapback provision that allows the U.S. to reimplement tariffs if they believe South Korea is violating the pact.

"The question is whether we can get it done in the beginning of 2010, whether we can get it done at the end of 2010," Mr. Obama said of the trade agreement, in an interview with Fox News on Wednesday in Beijing. "There's still some details that need to be worked out. Overall, I think it's a potential good deal for U.S. exporters. But there's certain sectors of the economy that aren't dealt with as effectively, and that's something that I'm going to be talking to President Lee about."

In China earlier Wednesday, Mr. Wen insisted that China isn't pursuing a trade surplus intentionally. If the U.S. wants to rebalance Sino-U.S. trade relations, Mr. Obama should liberalize export controls on high technology now limited for national-security purposes.

"We hope that the U.S. will change its export-control policies toward China, and increase the share of high-technology exports," he said.

That lecturing tone capped a week of hectoring over what China sees as monetary policy that is keeping U.S. interest rates too low and fiscal policies that are flooding the world—and China—with U.S. debt.



Reuters (2)

Hong Kong's Chief Secretary Henry Tang, speaking before the city's legislature, announces an electoral blueprint that he says will be a stepping stone to eventual direct elections. Outside, pro-democratic parties say the government's proposal lacks a specific road map for direct elections.

Hong Kong lays out electoral changes

Government says proposal is key step for eventual direct elections, but pro-democratic lawmakers call it a stall tactic

By Jonathan Cheng

HONG KONG—The Hong Kong government proposed a package of constitutional changes that it called a "crucial step" toward eventually holding direct elections, but the proposal drew immediate criticism from pro-democratic lawmakers who called it a stall tactic.

The plan would add 10 seats to Hong Kong's 60-seat legislature and an additional 400 members to the 800-member election committee that picks the city's top leader now.

Before China took control of this former British colony in 1997, Beijing promised direct elections for Hong Kong's legislature and top leader, known as the chief executive, but didn't provide a timetable. More recently, however, Beijing has suggested that direct elections for the chief executive could take place in 2017, while full direct elections for the legislature could happen in 2020.

The issue of how to transition toward direct elections is contentious. Many people in Hong Kong—a special administrative region of China—remain divided over how hard to push for greater democracy and to test the limits of its autonomy from Beijing. In 2005, pro-democratic lawmakers defeated a similar plan by the government that would have incrementally increased the number of lawmakers and election committee members, arguing that it didn't significantly change the political status quo.

Donald Tsang, Hong Kong's chief executive, and his deputy, Henry Tang, described the latest proposal as a chance for the city's political system to "move forward" toward universal suffrage, and called for public comments during a three-month consultation. Mr. Tsang also called on his opponents to "abandon impractical demands," a reference to pro-democratic lawmakers' calls for direct elections in 2012.

Most of the new legislative and electoral seats would go to current neighborhood-level district councilors, Mr. Tang said. Half of the new legislative seats would be directly elected.

Mr. Tang said the administration doesn't have the power to make promises for any electoral arrangements beyond 2012, but he said Beijing was sincere about its pledge to implement direct elections in 2017.

Members of several pro-democratic political parties rallied outside government offices to protest the plan, demanding faster implementation of direct elections.

One of them, Margaret Ng, a veteran lawmaker with the pro-democratic Civic Party, said the government's plan offered no real change. "It retains all the most unfair features of the current system, namely the big commerce and developer interests," she said. Currently, 30 legislative seats are allotted to members of certain business and sectoral interests.

After the three-month public comment, a final blueprint will be drafted and voted upon by the city's legislature. The vote could be close, since the government needs a two-thirds majority to pass the amendment. Opposition lawmakers hold 23 of the 60 seats.

Prolonged fight looms in Pakistan battle zone

By Zahid Hussain

SARAROGHA, Pakistan—Troops from the Pakistani army are pressing deep into a tribal region along the Afghan border as they try to defeat one of the country's most powerful Taliban factions.

But commanders say the bulk of the estimated 10,000 militants who were believed to be in South Waziristan when Pakistani forces began the offensive about four weeks ago have now fled, raising the prospect of a drawn-out guerrilla conflict in the region.

A daylong trip with the military to the battle zone also revealed another challenge: flattened and abandoned towns and villages that must be rebuilt, repopulated and governed once the fighting ends.

Pakistani forces moved against the dominant Taliban faction in South Waziristan in mid-October after a string of terrorist strikes in the towns and cities of the nuclear-armed South Asian nation. More than 30,000 soldiers, backed by fighter jets, helicopter gunships and artillery are now battling the militants in South Waziristan. Some 300,000 people have fled the fighting.

The militants' reprisal campaign of terror attacks in Pakistan's cities and towns has continued. The death toll from a steady series of attacks has passed 400.

Pakistani military commanders have voiced optimism that they will have South Waziristan under control before the end of the year, and that their victory will ultimately make the whole country safer.

In Sararogha, described by the army as one of the Taliban's operational nerve centers in South Waziristan, all that remained Tuesday of the village were heaps of mud bricks and twisted iron.

The army said the town's 10,000 residents had fled ahead of the assault, and that the town was seized by soldiers last week after several days of fierce fighting.

"We faced stiff resistance from the insurgents," said Brig. Mohammed Shafiq, who led the assault. He said most of the defenders were Uzbeks and Arabs, a common refrain from Pakistani commanders who have repeatedly stressed al Qaeda's role in South Waziristan.

U.S. officials have criticized Pakistan for not doing enough to tackle al Qaeda, an allegation that Pakistani officials bristle at.

WSJ.com

Online today
See photos from Sararogha at **WSJ.com/World**

Before the army's offensive, the Taliban was in full control of the town. The militants turned a ramshackle student hostel into their headquarters. One room was used as a court where alleged violators of the Taliban's harsh interpretation of Islamic law were tried.

Another part of the building was used for training suicide bombers, the army said. "Many of the suicide bombers involved in the recent attacks in Pakistani cities were trained here," said Brig. Shafiq. He didn't say how he knew this.

Sararogha was home to a British colonial-era fort where a small contingent of paramilitary forces once was based, according to the Associated Press. In January 2008, militants attacked the base and executed 25 of the soldiers, the AP said. The post and the surrounding town were abandoned to the insurgents.

Since capturing Sararogha, the army has moved its main force to the Taliban's most fortified position in the region, the town of Makeen, and are now "engaged in street-by-street fighting," said Brig. Farrukh Jamal, another commander leading forces in South Waziristan.

He, too, eagerly discussed what he said was al Qaeda's role in fomenting the Taliban insurgency in South Waziristan, where remnants of both groups found refuge after the 2001 U.S.-led invasion of Afghanistan. The Pakistan Taliban then grew out of the Afghan movement.

Army officers said their men had found stashes of Arabic-language jihadi literature and guerrilla training manuals in another town, Ladha, where they said al Qaeda trained.

"We have also intercepted communications confirming the presence of large number of Arabs in the area," Brig. Jamal said.

More than 500 militants and 70 soldiers have been killed since the offensive's outset, the army said. The Taliban has dismissed the army's casualty tally. Reporters are allowed to visit the region only with the military.

You have the chance to power your own city.

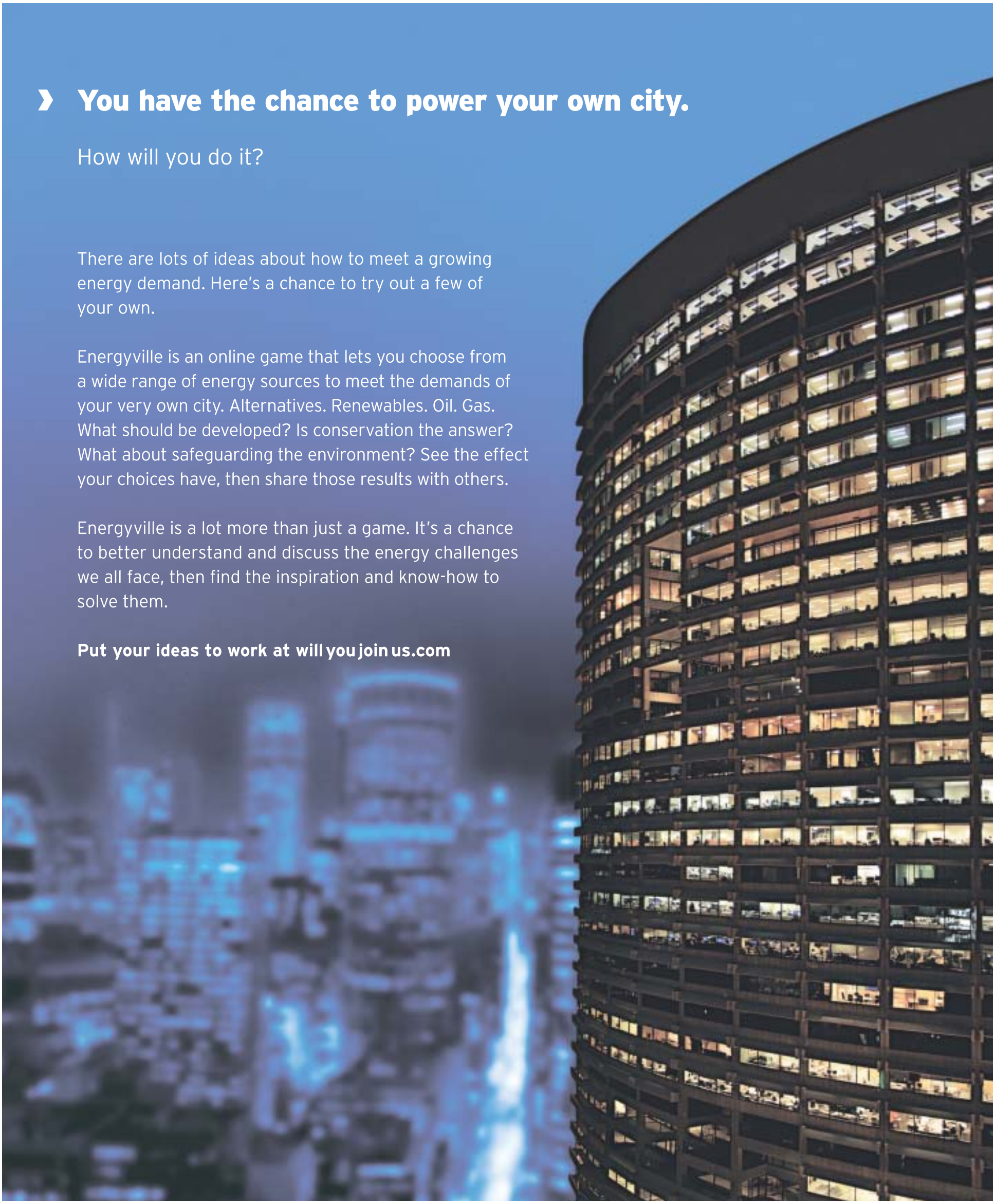
How will you do it?

There are lots of ideas about how to meet a growing energy demand. Here's a chance to try out a few of your own.

Energyville is an online game that lets you choose from a wide range of energy sources to meet the demands of your very own city. Alternatives. Renewables. Oil. Gas. What should be developed? Is conservation the answer? What about safeguarding the environment? See the effect your choices have, then share those results with others.

Energyville is a lot more than just a game. It's a chance to better understand and discuss the energy challenges we all face, then find the inspiration and know-how to solve them.

Put your ideas to work at willyoujoinus.com



Energyville, from Chevron
An energy game developed by
The Economist Group.

Chevron | The Economist Group

CHEVRON and the CHEVRON HALLMARK are registered trademarks of Chevron Intellectual Property LLC. © 2009 Chevron Corporation. All rights reserved.

Trucks and heavy machinery operate in an open-cut mine in Queensland, Australia.

Investors bet on Australia's resources

Commodity sector proves popular, bolstering nation's economic strength, but signs emerge of possible capacity constraints

By Ray Brindal

CANBERRA, Australia—The value of advanced Australian resource projects under development jumped in the six months to October, underscoring the country's economic strength in the face of a global downturn, but also highlighting the beginnings of possible capacity constraints.

Investments in the resource sector has helped propel economic growth in Australia in recent years, and the Reserve Bank of Australia expects that investment will pick up further as the global economy recovers, potentially creating bottlenecks in the supply of equipment and labor in the sector.

The government's chief commodities forecaster, the Australian Bureau of Agricultural and Resource Economics, said Wednesday the value of advanced resource projects—those that are either committed or under construction—jumped 41% to a record 112.46 billion Australian dollars (US$104.03 billion) in the six months ended in October, compared with A$79.97 billion at the end of April. The October figure was up 67% from a year earlier.

Of the advanced projects at Oct. 31, energy projects accounted for 72% of the total value, mining projects 23% and mineral-processing projects 5%, while Western Australia state is the location for 83% of total spending and Queensland state 8.3%.

The increase in the value of advanced projects primarily reflects the massive lift flowing from the Gorgon liquefied-natural-gas project, which received final approval from owners **Chevron** Corp., **Royal Dutch Shell** PLC and **ExxonMobil** Corp. in September.

Capital spending on Gorgon is estimated at A$43 billion. It is the single biggest project undertaken in the Australian resource sector and is scheduled for completion by 2015 with annual capacity of 15 million metric tons, Abare said in its half yearly listing of major development projects in the minerals and energy sector.

Woodside Petroleum Ltd.'s A$12 billion, 4.3 million tons-a-year Pluto LNG project also is on Abare's advanced list and is scheduled for completion in late 2010.

Bankwest chief economist Alan Langford said the increased value of capital spending reflects a view among investors that the global economy is recovering more quickly and vigorously than people thought six months ago.

Abare listed 74 advanced projects either committed or under construction at Oct. 31, with 16 of these either newly committed or entering the list since April, and 15 projects valued at A$3.9 billion being completed and dropping off the list in the period.

Chevron via Bloomberg News

The Gorgon liquefied-natural-gas project on Barrow Island in western Australia, shown here in an undated aerial photo, is scheduled for completion by 2015.

Partially offsetting the large increase in the planned capital spending was a strengthening of the Australian dollar against the U.S. dollar in the six months to Oct. 31, which cut the Australian dollar value of U.S. dollar-denominated projects by around A$16 billion, Abare said.

Abare Deputy Executive Director Terry Sheales said the increase in planned capital spending reflects expectations of increasing demand for mineral and energy commodities in the medium term.

The RBA warned this month that investment booms can present challenges for macroeconomic management, particularly when the economy is operating at a high level of capacity.

While investment increases the economy's long-run productive capacity, it adds to short-run demand pressures within the economy, it said in its recent statement on monetary policy.

This occurred in 2007 and early 2008, when shortages of labor and some capital equipment resulted in an escalation in construction costs in the mining sector, prompting the delay or scaling back of some investment plans, the bank said.

BHP Billiton Ltd. Chief Executive Marius Kloppers echoed concerns about a possible lack of skilled labor in a speech Wednesday. "Just two short years ago there was a massive talent gap in the resources industry," Mr. Kloppers said. "I believe this gap will return along with demand."

Abare also listed 267 projects with a total value of A$238.34 billion on its less-advanced list, which compares with 247 projects worth A$277.26 billion at the end of April.

Included in this list is a total of 16 proposed LNG projects that are undergoing feasibility studies; they could potentially add nearly 100 million metric tons of LNG production capacity in the longer term, Abare said.

Despite the uncertainty inherent in projects at these earlier stages of consideration, the significant number of large-scale projects at less-advanced planning stages is expected to provide a firm platform for future growth in Australian minerals and energy production in the medium term and beyond, the bureau said.

Philippines' budget gap widens to record and is likely to worsen

By Cris Larano
And Rhea Sandique-Carlos

MANILA—The Philippines' budget deficit widened to a record 266.1 billion pesos ($5.71 billion) in the 10 months to October, and is projected to worsen before year-end without any significant revenue boost from privatization.

Finance officials said the market is unlikely to punish the Philippines for the fiscal blowout. It could force the government to again tap the international debt market.

"The market feedback is that even a 300-billion-peso deficit, equivalent to 3.8% of [gross domestic product], is acceptable given the current domestic and global environment," said Finance Secretary Margarito Teves.

Mr. Teves said the "likely scenario" for the full-year deficit is 280 billion pesos, and 300 billion pesos is the "worst case." He added that the government is hoping to sell its 24% stake in **San Miguel** Corp., which could reverse the budget deficit. The sale of the stake in the food and beverage conglomerate is expected to generate 50 billion pesos, an amount not in the planned budget.

Even with the wider deficit, National Treasurer Roberto Tan said the government doesn't have to resort to additional borrowing because it raised $1 billion in a global bond issue in October.

In October alone, the budget gap was 28.5 billion pesos, amid lower revenues and increased spending due to the global economic downturn. In October 2008, the deficit was nine billion pesos, while the shortfall in the first 10 months of last year was 62.3 billion pesos.

Finance Undersecretary Gil Beltran said a 280 billion peso budget gap for the year takes into account the planned sale of the 103-hectare Food Terminal Inc., an agroindustrial commercial complex, for about 13 billion pesos.

A failure to sell the asset would raise the projected budget gap beyond 280 billion pesos.

Revenue in October was 92.6 billion pesos, bringing collection in the first 10 months of the year to 925.4 billion pesos compared with 927.6 billion pesos a year earlier.

Bureau of Internal Revenue Assistant Commissioner Nelson Aspe said lower revenue in the period was due mainly to a reduction in the corporate income tax, as well as other tax relief measures provided by the government, which resulted in a revenue loss of around 28 billion pesos.

Lower remittances of local businesses to their parent companies abroad also exerted pressure on government revenue.

Clinton to attend Karzai inauguration

By Anand Gopal And Alan Cullison

KABUL—U.S. Secretary of State Hillary Clinton made an unannounced trip to Afghanistan Wednesday to attend the inauguration of President Hamid Karzai, an event she is urging the Afghan president to use to commit to a crackdown on corruption in his shaky government.

The inauguration comes amid a tight security lockdown in Kabul, where streets and government offices are being closed to prevent the Taliban from disrupting the event. Hundreds of Afghan police were patrolling the streets, and the government barred journalists from the ceremony, citing security concerns.

In the run-up to her visit to Kabul, Mrs. Clinton, along with other world leaders, has been talking tough about the need for Mr. Karzai to show good faith in the cleanup of his government, or risk losing the confidence of the international community.

She echoed those remarks on her arrival in a brief meeting with U.S. Embassy staff in Kabul.

"We are standing at a critical moment," Mrs. Clinton told embassy staffers. "There is now a clear window of opportunity for President Karzai and his government to make a new compact with the people of Afghanistan to demonstrate that now there will be accountability and tangible results to improve the lives of people throughout this country."

In response to pressure, the Afghan government said Tuesday that it was launching a special task force to fight corruption.

Mrs. Clinton was scheduled to chat with Mr. Karzai Wednesday night over a dinner of kebabs and rice at the heavily guarded presidential palace in central Kabul, where the Afghan president is mostly confined. U.S. officials have suggested that Mrs. Clinton's comments may be more severe in private than in public.

The two sides have been at loggerheads in recent weeks over the makeup of Mr. Karzai's cabinet. Afghan officials close to the situation said that Mr. Karzai submitted a list of proposed cabinet members last week, but that the Americans disapproved of a number of them.

"Clinton and others will be very clear with Karzai that the amount of aid the U.S. doles out depends on how competent the cabinet is," said one U.S. official in Kabul.

Associated Press

U.S. Secretary of State Hillary Clinton is welcomed by Gen. Stanley McChystal, top U.S. commander in Afghanistan, on her way to Hamid Karzai's inauguration.

U.S. officials have lately been pushing Mr. Karzai to appoint more technocrats to his government, and exclude those with ties to former mujahedeen fighters and warlords.

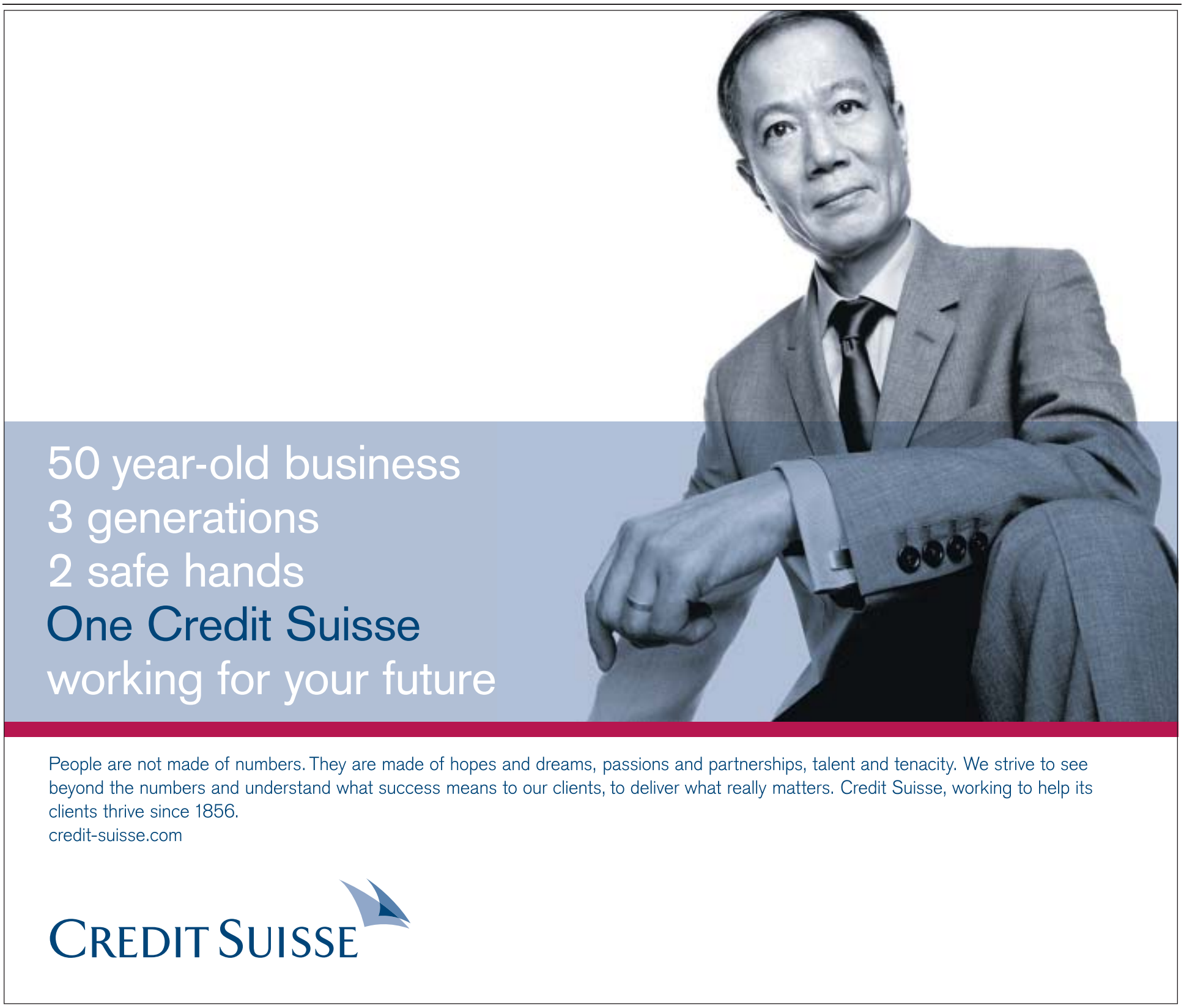
His team is now drawing up another list, but many of the offending names are still under consideration, Afghan officials said. These include relatives and associates of Rashid Dostum and Muhammad Mohaqeq, strongmen accused of human-rights violations. Afghan officials added that Gul Agha Sherzai, a governor with a warlord past, and Salahuddin Rabbani, the son of Burhanuddin Rabbani, a controversial political leader and the country's former president, are also under consideration.

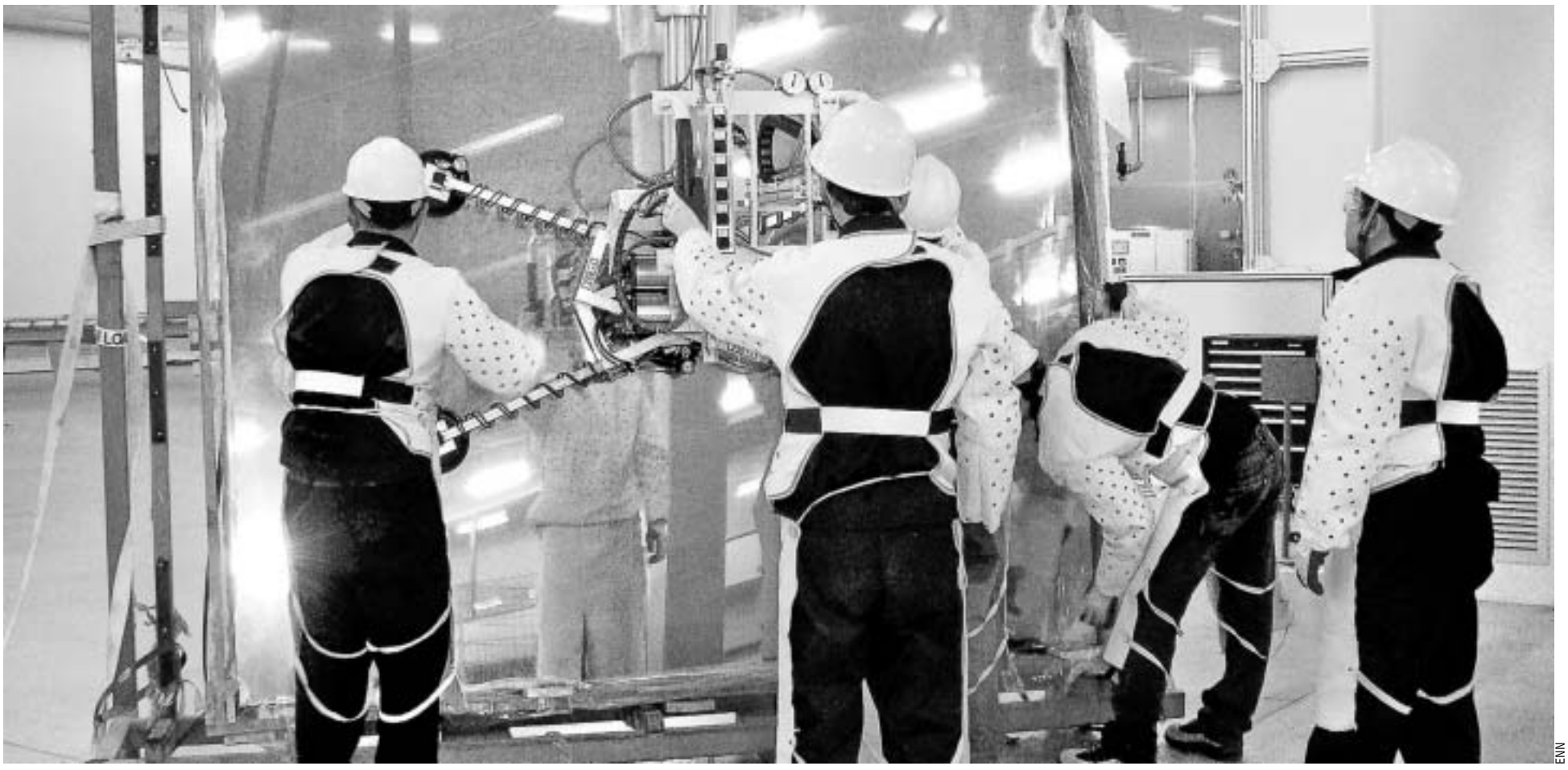
"This has been the issue from day one," said a U.S. official who is working on Afghanistan and Pakistan. "People in the [U.S.] administration want uncorrupted technocrats. They don't want a patronage system."

Mr. Karzai has argued he must give some positions to powerful figures to placate potential enemies.

He has offered a number of posts to some recognized in the international community as reputable technocrats. These include Ahmad Ali Jalali, the former interior minister, and Omar Zakhilwal, an economist and the current finance minister. Karzai administration officials also are in talks with Ashraf Ghani, the presidential candidate and former finance minister, according to both sides. Moreover, the president plans to drop some current ministers accused of corruption and ineffectiveness, according to a government official.

—Jay Solomon in Washington contributed to this article.


50 year-old business
3 generations
2 safe hands
One Credit Suisse
working for your future
People are not made of numbers. They are made of hopes and dreams, passions and partnerships, talent and tenacity. We strive to see beyond the numbers and understand what success means to our clients, to deliver what really matters. Credit Suisse, working to help its clients thrive since 1856.
credit-suisse.com
CREDIT SUISSE



ENN

Duke Energy is working to develop commercial solar-power projects with China's ENN, whose manufacturing plant in Langfang is shown above.

U.S. power firms seek Chinese allies

Duke, AES and others look to China's fast-growing energy sector for access to cash, gear and technology

By Rebecca Smith

Some of the biggest names in the U.S. power industry are teaming up with Chinese partners, seeking access to the cash, equipment and technology offered by China's fast-growing energy sector.

The alliances, made by such heavyweights as **Duke Energy** Corp., **AES** Corp. and **Progress Energy** Inc., could open the U.S. market to Chinese companies in ways that otherwise wouldn't be possible. That's because utilities still operate as monopolies in much of the U.S., controlling their local markets for power-production equipment and technology.

Since August, Duke Energy has signed deals with two Chinese companies that focus on solar-power development in the U.S. and methods to capture and store carbon dioxide from coal-burning power plants.

Duke Chief Executive Jim Rogers said these deals are just the beginning, and that he may solicit Chinese financing for the $25 billion in capital Duke needs to raise in the next five years to build new plants and upgrade other facilities.

As President Barack Obama met with Chinese officials this week, tamping down emissions of carbon dioxide and other greenhouse gases was on the agenda. The U.S. and China together account for 40% of the world's output of carbon dioxide, the leading culprit in global warming.

The U.S. and China Tuesday agreed to cooperate on a raft of clean-energy issues, including those involving renewable power, batteries and technology to cut greenhouse gases from coal power plants, the White House said.

In one deal announced during Mr. Obama's China visit, **General Electric** Co. and Shenhua Group Corp. said they plan to set up a joint venture to develop and promote clean coal technology. Also, **First Solar** Inc., which in September announced an agreement with the Inner Mongolia city of Ordos to build a two-gigawatt solar power plant, on Tuesday said the two sides had firmed up details of the deal, one of the largest solar photovoltaic projects to date, saying construction will start June 1.

Duke's Mr. Rogers said he thinks Chinese companies are more likely than those in the U.S. to build big factories and develop the new technologies needed to wring carbon out of the economy, in part because "Chinese companies have the can-do attitude we have lost."

Many of them also have deep pockets. U.S. utilities will have to refinance about $100 billion of debt coming due in 2011 and 2012, and Moody's Investors Service said last week they will need to consider alternatives to "traditional bank credit" which could remain "constrained."

In August, Duke, based in Charlotte, N.C., signed a memorandum of understanding with China's biggest state-owned utility, China Huaneng Group, to share information on clean-coal technology. China gets 80% of its electricity from coal, and Duke gets about 70%.

Duke is building a coal-gasification power plant in Indiana and may try to capture and store carbon dioxide emissions from the plant. China Huaneng is building a coal-gasification plant in Tianjin that is expected to enter service in 2011. Duke estimates it will have taken it eight years to get its Indiana plant built, but that the Chinese company will build its plant in three years. "When they want to do something, they just get it done," said David Mohler, Duke's chief technology officer, who has made five China trips this year.

Last month, Duke agreed to work with ENN Group, a Chinese gas-distribution and solar-power company in eastern China, to develop commercial solar projects in the U.S. Under the deal, ENN would furnish equipment and Duke would run the plants. ENN, which was introduced to Duke by the Clean Air Task Force, is aiming to get half its revenue from overseas projects by 2020.

Mr. Obama's energy policy is designed in part to invigorate the U.S. manufacturing sector by encouraging the development of new energy technology in the U.S. Mr. Rogers said he understands that using Chinese-made equipment may undermine that goal. But he said the erosion of the U.S. manufacturing base "is irreversible. There's nothing I can do" since China's domestic market is so huge that it automatically guarantees economies of scale.

Progress Energy, which is planning to build two new nuclear plants by 2019, recently agreed to share information with Shangdong Nuclear Power Co., a unit of **China Power Investment** Corp. Shangdong Nuclear has started construction of a Westinghouse AP1000 reaactor, the type Progress plans to build. Bill Johnson, CEO of Progress, said his team wants to learn all it can from China's construction experience to avoid any pitfalls. In return, Progress will share its expertise in safely operating nuclear plants.

When it comes time to seek financing for its new reactors, Progress, which is based in Raleigh, N.C., "would be interested in capital from anywhere," Mr. Johnson said.

Earlier this month, AES, which owns utilities and power plants in 14 countries, agreed to sell a 15% equity stake to China Investment Corp., China's sovereign wealth fund, for $1.58 billion. It also agreed to sell a 35% share of its wind-development business to CIC for $571 million. AES, based in Arlington, Va., said it is possible the arrangement will result in greater use of Chinese-made equipment in coming years.

Mike Morris, chief executive of Columbus, Ohio-based **American Electric Power** Co., a company active in clean-coal research, said he is "skittish" about soliciting Chinese capital. He said Chinese companies can be so nimble in part because China's people "have no voice" in resource planning, whereas public participation is key to U.S. utility and environmental policy proceedings.

Home construction falls sharply in the U.S.

By Jeff Bater And Luca Di Leo

U.S. home construction declined sharply in October, an unexpected reversal that led some analysts to trim their economic-growth forecasts for the last quarter of 2009.

Housing starts in October erased months of gains as uncertainty over renewal of a U.S. tax credit for home buyers increased builders' caution. They decreased 10.6% to a seasonally adjusted 529,000 annual rate compared with the prior month, the Commerce Department said.

As a result, economists at Macroeconomic Advisers lowered its fourth-quarter gross domestic product growth forecast to an annual 3% from 3.2%.

Economists surveyed by Dow Jones Newswires had forecast a 1.7% increase in October housing starts, to an annual rate of 600,000. The 10.6% fall carried construction to the lowest point in six months.

The report also said building permits slipped. Both single-family groundbreakings and apartment construction tumbled.

Meanwhile, U.S. consumer prices continued to rise only moderately in October despite a sharp gain in energy prices, confirming the Federal Reserve's view that a slow economic recovery should keep inflation at bay.

The seasonally adjusted consumer-price index rose 0.3% in October, the Labor Department said Wednesday, as energy prices increased 1.5%. That compares with a monthly 0.2% increase in the CPI index in September.

The core CPI, which strips out food and energy prices to give a better idea of underlying inflation trends, advanced 0.2% in October, the same increase seen the previous month. The figures were a tad higher than forecast by Wall Street economists.

"In a larger sense, today's data once again show fairly benign inflationary pressures throughout the economy," said Dan Greenhaus, chief strategist at Miller Tabak.

—Meena Thiruvengadam contributed to this article.

WORLD NEWS

Divisions emerge on how, or if, U.S. government should try to create jobs

[Capital]

DAVID WESSEL

With the official U.S. unemployment rate at 10.2% and rising, pressure on the government to do something —anything—to create jobs is mounting for obvious reasons. The question: What the government can, should and will do about it.

One camp says to just wait. The economy is growing again, albeit slowly. Stage one: Employers stop firing workers. Stage two: Employers extend the hours of their existing work force. Stage three: Employers, confident of recovery and unable to meet demand without more labor, resume hiring.

"Given the large dose of monetary and fiscal stimulus we already have pumped into the patient and the signs of a beginning recovery, it is probably better at this point to take a wait-and-see approach," advises Gregory Mankiw, the Harvard University economist who was among U.S. President George W. Bush's economic advisers.

Another camp—which includes elected politicians from both parties and several Obama economic and political advisers—wants to speed the healing and use government policy to quicken the arrival of stage three. "What we're seeing now is businesses are starting to invest again, they are starting to be profitable again, but they haven't started hiring again," U.S. President Barack Obama told NBC News this week. He said his administration is now trying to "figure out if there are ways of us accelerating that hiring."

After all, unemployment creates misery for families, weakens demand for businesses, wastes human potential and can have long-lasting ill effects on the pace of economic growth. It also breeds a political climate distinctly hostile to global trade and business.

"I have never seen anything like this," Sen. John McCain, the Arizona Republican, told The Wall Street Journal CEO Council conference this week. "The level of anger and frustration...at what we do in Washington and what you do on Wall Street."

He warned that, without some change, rising unemployment and yelps from credit-starved small business could bring to Congress next year a cadre of populist, protectionist, pro-regulation *Republicans*.

But the do-something camp is divided. The options fall roughly into two categories.

One set, with a distinctly Keynesian flavor, would aim not at increasing employment directly, but at increasing overall demand so employers hire more people. Consumers are in the dumps, their ability to spend constrained by lack of income and an urge to reduce debt burdens. Business is in a funk, shaken by the deep recession, distressed by uncertainty about health, tax and energy policy, and excessively cautious. State and local governments are struggling. The Federal Reserve already has cut interest rates to zero. So the federal government should step up, the argument goes.

That was the rationale for the much-maligned fiscal stimulus, and the rationale for another round. Lawrence Katz, a Democratic-leaning Harvard labor economist, for instance, advocates more no-strings aid to state and local governments "to ease their budget situation, prevent layoffs and furloughs and cuts in local services." He calls it the "most effective and quick fiscal stimulus out there."

But Mr. Obama shows little political stomach for pushing Stimulus II, resorting instead to stealth stimulus—little dollops such as the $250-per-senior checks he got Congress to approve recently. More big stimulus, of course, means more government borrowing and that makes some Obama advisers, already facing a massive deficit and doubts about the stability of the dollar, very uneasy.

So look for the administration to promote cheap ways to spur demand—attempts to increase the flow of credit to business, speed approvals for siting the new electricity grid and promote exports.

Pressure point

The U.S. jobless rate is climbing and doesn't usually fall until well into—or after— the recovery.

Source: U.S. Department of Labor

Each will be marketed as creating jobs. In fact, everything the administration does from now on will be marketed as creating jobs.

The other set of options aims not at increasing demand and output, but at increasing employment directly. The government could cut the payroll tax temporarily, for instance, to make it a bit cheaper for employers to hire. Or it could offer a tax credit to spur hiring, attempting to design it so it would spur hiring that wouldn't otherwise occur, which is very difficult, or simply tying a tax credit to the expansion in an employer's overall work force.

Or it could try a more modest share-the-pain or work-sharing effort, such as pushing more states to offer jobless benefits to workers who are forced to work part-time, essentially making up some of the lost wages as Germany's Kurzarbeit—"short work"—program does. Seventeen states do this now, including California.

Proponents of a jobs tax credit or payroll-tax holiday, both inside the administration and in Congress, say the government can and should nudge reluctant private employers to hire, and that the benefits—to workers and those who sell to them—will be significantly greater than the costs and abuse.

Detractors say that pushing more jobs without more output is unwise, a deliberate attempt to reduce productivity that sounds appealing but isn't. It's like taking away shovels and giving ditch-diggers teaspoons so more will have jobs.

There are advocates for both views inside the administration. But at the moment, the foes of a new big-ticket stimulus or a big jobs tax credit appear to have the upper hand.

We are ASIA
We strive to be the very best.
With 250,000 agents and 20,000 employees AIA engages some of the brightest and most ambitious young minds in Asia. They say an organisation is only as good as its people. Which explains why 20 million customers in Asia trust their future with AIA.
AIA.COM
AIA

Reuters (R), Associated Press (L)

Syrians, from President Bashar Assad, far right with French President Nicolas Sarkozy in Paris on Friday, to visitors to a Damascus market, left, have enjoyed the country's recent emergence from pariah status.

Damascus revels in allure to investors

Syria, ex-pariah, sees notable gains in Western embrace

By Chip Cummins

DAMASCUS, Syria—From the corridors of Syria's stately central bank to the capital's winding, barrel-vaulted souk in the heart of the Old City, it is hard to remember that 18 months ago Syria was a diplomatic and economic pariah state.

Growth is expected to come in this year at a respectable 3%, despite a big knock from the global financial crisis. European tourists spill out of recently renovated boutique hotels in the capital's Old City. American accents boom across the dining room of the Four Seasons. In the tony Maliki neighborhood nearby, tourists, foreign businessmen and fashionably dressed Damascenes sip $4 lattes at one of several bustling cafes.

Central-bank chief Adib Mayaleh is practically giddy about Syria's new allure to foreign investors. Amid warming ties between the West and Syria, executives from two French banks recently dropped by his office to talk about opening branches here. The same French bankers "previously said they would have nothing to do with me," he says, gloating.

"We see more and more banks coming here to investigate the market," Mr. Mayaleh says. "Syria is virgin territory to explore."

In fact, Syria's still-isolated economy protected it from the worst of the global financial crisis. Banks here haven't been hit by defaults. Tourism receipts dipped but are recovering again. A recent private-sector-led investment boom in real estate shows no signs of the bust felt in other regional markets like Dubai.

Earlier this year, real-estate adviser Cushman & Wakefield listed Damascus office space as the eighth most expensive in the world. That is behind Paris and two spots ahead of midtown Manhattan.

"The only Syrians that can buy houses are those that can sell one first," says real-estate agent Ayman al-Saman, from his closet-size agency in the center of town. Residential real-estate prices have tripled since 2004, he says.

On top of all that, the West's recent embrace of Syrian President Bashar Assad is translating into a booster shot of economic optimism.

Bassel Hamwi, deputy chairman of **Bank Audi Syria**, one of the largest private banks in the country, said the barrage of U.S. sanctions the Bush administration slapped on Syria starting in 2004 never was a real barrier to economic growth. But warming ties with the world's largest economy can't help but make a difference. "Syria used to be a 'frontier' market," the Texas- and Harvard-educated banker says. "As of 2009, I personally consider this an emerging market."

It has been a long road, with plenty of obstacles still ahead. When Mr. Assad took over here after his father's death in 2000, he kept tight control of the state, suppressing dissent. But he also ushered in economic overhauls. Lower import tariffs allowed foreign goods from China and Europe to flow in. In 2003, banking reform opened the door to a handful of private lenders. The overhauls brought with them galloping inflation, but everyday Syrians embraced the new consumer culture.

"We have lots of industry in Syria that produces everything we need, but people prefer things from abroad," says 27-year-old shopkeeper Manhal Moujarid, in a packed appliance store full of Chinese-made heaters, tucked into the mountainside souk of Damascus's poorer Muhajireen neighborhood.

Shortly after the U.S.-led invasion in Iraq, Washington accused Mr. Assad of allowing fighters across the border to battle Americans, and in 2004 imposed sanctions. In 2005, the U.S. held Syria accountable for the assassination of former Lebanese Prime Minister Rafik Hariri and pulled its ambassador. (Syria denies both allegations.)

The sanctions didn't directly affect much business here since American companies weren't that active anyway. But U.S. Treasury officials suggested European firms risked being frozen out of the U.S. banking system if they didn't play ball.

"Foreign banks were intimidated by the American sanctions," says Mr. Mayaleh, the central banker.

Then, in what could be one of the most significant diplomatic rehabilitation acts in recent memory, Mr. Assad turned the tables. Last year, he agreed to indirect peace talks with Israel. He also helped to broker a deal between warring Lebanese politicians. Earlier this year, U.S. commanders traveled to Damascus to discuss Syria-Iraqi border security cooperation.

French President Nicolas Sarkozy invited Mr. Assad to Paris in the summer of 2008 and flew to Damascus later that year. Mr. Assad traveled to France again on Friday.

President Barack Obama made outreach to Syria a plank of his campaign. This summer, he promised to reinstate an ambassador and ease some economic restrictions. Washington has stopped short of offering to lift sanctions outright. And there has been little recent movement on naming an ambassador, triggering grumbling among Syrian officials.

Still, the thaw has boosted confidence here, as shown by the sudden rush of Western bankers calling on Syrian officials. In an interview in his marble and wood office, Abdullah Dardari, Syria's deputy prime minister for economic affairs, gestures to two business cards left on his coffee table by executives representing big U.S. financial firms.

"Finally," he says, "we put Syria on the map for foreign investors."

FBI suspects terrorists are exploring cyber attacks

By Siobhan Gorman

The Federal Bureau of Investigation is looking at people with suspected links to al Qaeda who have shown an interest in mounting an attack on computer systems that control critical U.S. infrastructure, a senior official told Congress Tuesday.

While there is no evidence that terrorist groups have developed sophisticated cyber-attack capabilities, a lack of security protections in U.S. computer software increases the likelihood that terrorists could execute attacks in the future, the official warned.

If terrorists were to amass such capabilities, they would be wielded with "destructive and deadly intent," Steven Chabinsky, deputy assistant director of the FBI's Cyber Division, told the Senate Judiciary Committee Tuesday.

"The FBI is aware of and investigating individuals who are affiliated with or sympathetic to al Qaeda who have recognized and discussed the vulnerabilities of the U.S. infrastructure to cyber-attack," Mr. Chabinsky told the committee, without providing details.

Such infrastructure could include power grids and transportation systems.

The control systems of U.S. infrastructure as well as money transfers are now connected directly or indirectly to the Internet. Hackers have been able to penetrate computer systems running components of the U.S. electric grid as well as divert bank transfers.

In an interview Tuesday, former Homeland Security Secretary Michael Chertoff said al Qaeda already has some cyber-attack capability. "I don't think they're the most capable in the world, but they have some capability," he said.

Mr. Chertoff said he expects al Qaeda to develop more cyber-attack skills that would allow them to attack infrastructure that is less well protected, perhaps in the transportation and energy sectors. "It's only a matter of time," he said. "They're getting the capability to do some damage."

At the Senate hearing, officials from the Homeland Security and Justice departments also told the panel that the country isn't fully prepared for a cyber-attack and current laws don't provide an adequate framework for the government to fend off such attacks.

Getty Images

Former Homeland Security Secretary Michael Chertoff, shown here in Washington in September, says al Qaeda has some cyber-attack capability.

U.S. weighs fees for Web

Tighter government oversight possible in effort to promote wider access

By Amy Schatz

WASHINGTON—U.S. regulators are considering whether the federal government should take greater control of the Internet and ask consumers to pay higher phone charges in order to provide all Americans with cheaper access to broadband Internet service.

The Federal Communications Commission Wednesday was set to lay out the case for expanding broadband Internet service, outlining current obstacles to making it widely available. The agency is considering whether to force Internet providers to share their networks with rivals and raise fees charged on consumer phone bills to pay for the broader access.

The proposals, which have sparked criticism from telecommunications and cable companies, represent a reversal from the Bush Administration, when regulators cut back on government control of Internet and telephone service.

The new commission, controlled by Democrats, is considering whether more government control is needed to ensure competition and more affordable Internet service.

The FCC staff will float possible solutions in December and make formal recommendations in February, when it is set to release its National Broadband Plan, a blueprint for improving broadband speed and access. Congress asked the FCC for the plan earlier this year.

FCC officials estimate it could cost anywhere from $20 billion to $350 billion to connect all American households to high-speed Internet service, depending on speed offered.

They haven't yet said how much of that investment might come from taxpayers.

The agency is looking at three politically charged proposals to reach its goal of universal broadband access.

One is to as much as double a $7 billion federal phone-subsidy fund, called the Universal Service Fund, which subsidizes phone service in rural areas for low income Americans, and expand it to subsidize construction and operation of broadband networks in rural areas. Money for this fund comes from a small charge tacked on to consumer phone bills.

Previous efforts to overhaul the fund have run into significant resistance in Congress, particularly among congressman and senators who represent rural areas where phone cooperatives and small phone companies don't want to lose the federal subsidies they get to provide service.

FCC staff also are studying whether to revive "open access" rules, which would require Internet providers to lease their networks to rivals at government-regulated rates.

Similar rules are in place in Europe and some Asian countries—and some consumer advocates say open access is one reason why Internet service is cheaper and faster in those countries.

FCC officials have made no decisions yet on whether to adopt any of these proposals. The five-member FCC board will be the final say and they haven't been presented with any options yet.

Consumer groups say open-access rules will spark competition and lead to more choice and lower Internet prices.

"It provides a way to bring more competition into the broadband marketplace which could drive down prices for consumers," said Joel Kelsey, policy analyst at Consumers Union, publisher of Consumer Reports.

The issue bubbled up last month, when Harvard University's Berkman Center for Internet & Society released an FCC-commissioned study which concluded that other countries have faster and cheaper Internet access because of open-access rules.

On Monday, AT&T told the FCC that the Harvard study's conclusion, "that open access is the talisman for success in broadband, is nothing short of astonishing."

The Harvard study "seems to assume throughout that we should apply the lessons of the past to the future," wrote Link Hoewing, a Verizon assistant vice president for Internet issues, on the company's policy blog. He argued it didn't make sense for the FCC to look at applying old rules, which were designed for the traditional phone system, to the fast-evolving Internet. Verizon declined to comment.

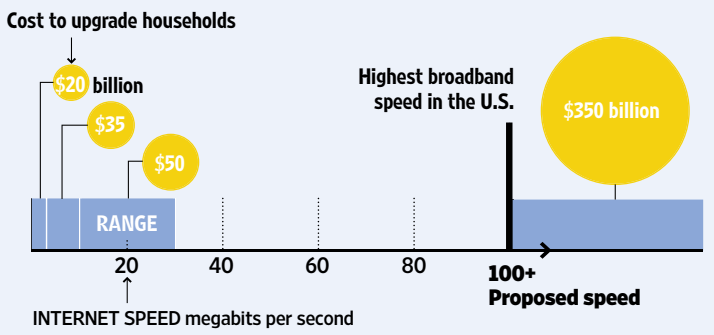
The National Cable & Telecommunications Association said the FCC shouldn't reach a "false and foregone conclusion" that such rules would increase the availability of high-speed Internet service "when a clear preponderance of empirical evidence reaches the polar opposite conclusion."

The FCC's third option for broadening Internet access, floated last month, has already stirred controversy. The agency suggested that it might reclaim some airwaves from TV station owners and auction them off to wireless companies for more high-speed wireless Internet services. Broadcasters, including PBS executives and station owners from Texas and other states, have been up in arms, streaming into the FCC over the past two weeks to lobby against the plan.

"The political realities of this are huge," said Gordon Smith, a former Senator from Oregon who recently became head of the National Association of Broadcasters on Tuesday. The FCC's proposal has "a long way to go," he predicted.

Speed demon

The FCC estimates that the costs to upgrade broadband in U.S. households rises as Internet speeds increase.



Source: FCC estimates

shaping islamic finance together MALAYSIA

Which country is enabling the evolution of Islamic finance?

Malaysia.

A liberalised marketplace with strong regional and international linkages with other financial centres, Malaysia welcomes the international financial community to the world's most comprehensive Islamic financial system. Within this system, well-developed Islamic Banking and Takaful sectors, deep and accessible Islamic Capital and Interbank Money Markets thrive.

Supported by a world class legal, regulatory and Shariah framework with strong Government endorsement, Malaysia provides an environment that supports innovation and thought leadership in Islamic finance.

Come be a part of the world's most vibrant international Islamic financial hub and shape Islamic finance together.

- A growing community of diversified domestic and international Islamic financial institutions
- Innovative market-driven Shariah-compliant products and platforms
- Experienced and skilled Islamic finance talent pool and thought leaders
- A centre of excellence for human capital development in Islamic finance

Log on to www.mifc.com or call +603 2692 3481

Sukuk Origination | Islamic Fund and Wealth Management | International Islamic Banking | International Takaful | Human Capital Development

MIFC MALAYSIA INTERNATIONAL ISLAMIC FINANCIAL CENTRE

Associated Press (left); Jeff Opdyke/The Wall Street Journal

Above left, Brian Billot, right, and Paul Ho, left, at an August protest by shrimpers on the Capitol steps in Baton Rouge; at right, the shrimp boat Paw Paw Allen on the Bayou Grand Caillou last month in Louisiana.

Besieged U.S. shrimpers battle for survival

After first fighting imports from Asia and elsewhere, now they are directing ire at the American processing industry

By Jeff D. Opdyke

DULAC, La.—Here in coastal Louisiana, where land spreads like lace into the Gulf of Mexico, a fight between U.S. shrimpers and shrimp processors is coming to a boil.

For the past decade, the local shrimp industry has battled a rising tide of crustaceans imported from Thailand, Indonesia, Ecuador and elsewhere. The imports have pushed down wholesale prices for the largest local shrimp to about $1 a pound ($2.20 a kilogram), the lowest level in decades.

Now, though, the antagonism is increasingly homegrown. Local shrimpers accuse processors of price-fixing, mislabeling imported shrimp as "domestic" and misusing a chemical designed to keep shrimp fresh, leaving them water-logged and rubbery.

Processors dismiss the claims and say shrimpers need to bone up on economics. The U.S. is in a recession "and we have a supply/demand problem," said Lance Authement, co-owner of Hi-Seas of Dulac Inc., a shrimp-processing plant. For much of the decade, annual shrimp supply has outstripped demand by as much as 600 million pounds, U.S. Department of Commerce data show. There is now roughly half a year's supply of shrimp in cold storage, well above norms.

For Louisiana, the stakes are high. Shrimp is America's most popular seafood and Louisiana is the leading domestic producer. Last year, the state harvested 90 million pounds worth $135 million. That compares to 1.6 billion pounds of shrimp imported to the U.S. in 2007, nearly double the 1998 level.

As imports have risen, Louisiana's shrimper ranks have sunk to about 4,700 from 16,500 in 1989. Aggrieved shrimpers have taken to picketing processing plants, and they called a strike earlier in the season to protest low prices. They also marched on the state capitol in Baton Rouge, provoking Gov. Bobby Jindal to issue an executive order mandating that state agencies running cafeterias buy Louisiana shrimp.

The governor also dispatched letters to U.S. Commerce Secretary Gary Locke and International Trade Commission chairwoman Shara Aranoff, saying that "Louisiana shrimp fishermen have never had greater need for protection from unfair trade practices that threaten their livelihood."

Dulac provides a close-up view of the industry's woes.

The town of about 2,200 residents was largely settled by shrimpers, oystermen and trappers more than a century before the now-predominant oil-and-gas industry arrived. It is one of the last locales on Louisiana's coast where the entire shrimping business is largely intact—from fishermen who troll the bayous, bays and coastal waters, to docks that buy the shrimp, to processors who prepare the catch for distribution.

In years past, the largest Louisiana shrimp fetched as much as $13.20 a kilo wholesale. With prices these days so low, Ronnie Anderson, who began shrimping with his father and uncles when he was eight years old, said, "I don't have the will to get up and go shrimping because I know I'm not making any money at it."

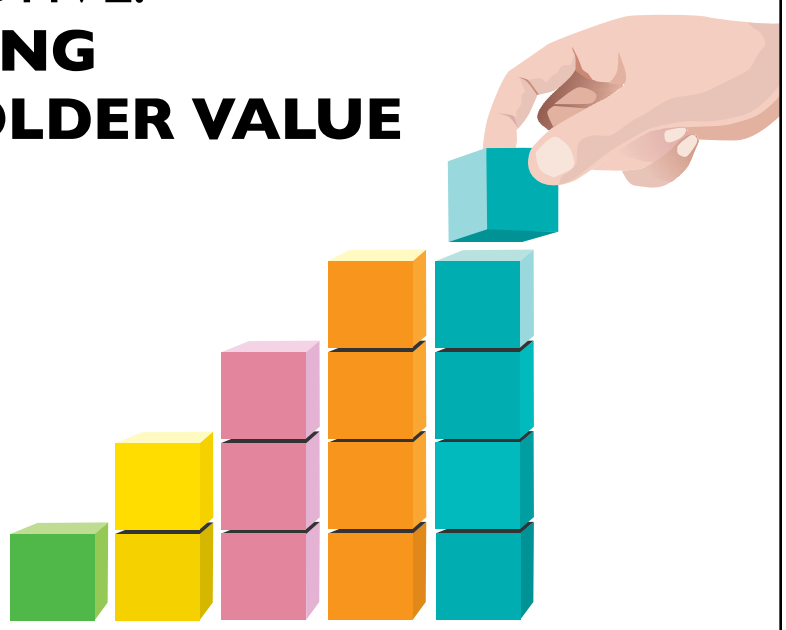
At Bluewater Shrimp Co., one of the docks Mr. Anderson sells to, owner Allen Estay recently laid off half his staff of eight. The quantity of shrimp arriving at the dock has plunged, he said, "because boats know they can't earn a dollar, so why go out?"

Dulac once had as many as 20 shrimp canneries and 26 docks. With the industry in decline, four docks remain and the canneries are gone. Only three of what were once nearly 30 retailers are still open. The hamlet had three banks. "The nearest is now 15 miles away," said Clayton Voisin, a Terrebonne Parish councilmember representing Dulac. Louisiana, he said, "may be on its last generation" of shrimpers.

Shrimpers largely blame processors. Mr. Anderson carries price sheets showing Louisiana shrimp lost value this year even as import prices improved. Like many shrimpers, he is convinced processors have angered buyers by labeling imported product as domestic—which is widely regarded as higher quality and better tasting—and because of excessive use of sodium tripolyphosphate, a chemical applied to maintain moisture. In high doses, tripoly allows shrimp to absorb water, making them appear larger and thus more expensive.

"Reboxing imports is probably happening, though I don't have proof," said Danny Babin, a shrimp processor from Houma, La., who represents processors on a recently empaneled state task force aimed at improving the industry. The U.S. National Oceanic and Atmospheric Administration Office of Law Enforcement has been investigating the practice and said "indictments are expected in the near future," but declined further comment.

TOP OBJECTIVE:
ENHANCING SHAREHOLDER VALUE



Our business model is as solid as it is straight forward. We make money by exploring and discovering mineral deposits, extracting them and processing them as economically and correctly as possible and selling them to long term loyal customers in Europe and Asia. We have been doing this profitably since our inception in 1968 and plans to continuing doing this for many years ahead.

Our main objective is to enhance shareholder value by lowering costs while profitably expanding operations in a sustainable manner. We build on our existing strengths to ensure long term profitability, sustain growth through reliable expansion projects, strategic alliances and acquisitions, as well as maintain financial strength to ensure we have the funds to finance our continued growth and pay dividends.

For more information on Antam, please visit our website www.antam.com. You may also contact our Investor Relations team: Eko Endriawan, eko.endriawan@antam.com and Fajar Triadi, ftriadi@antam.com.

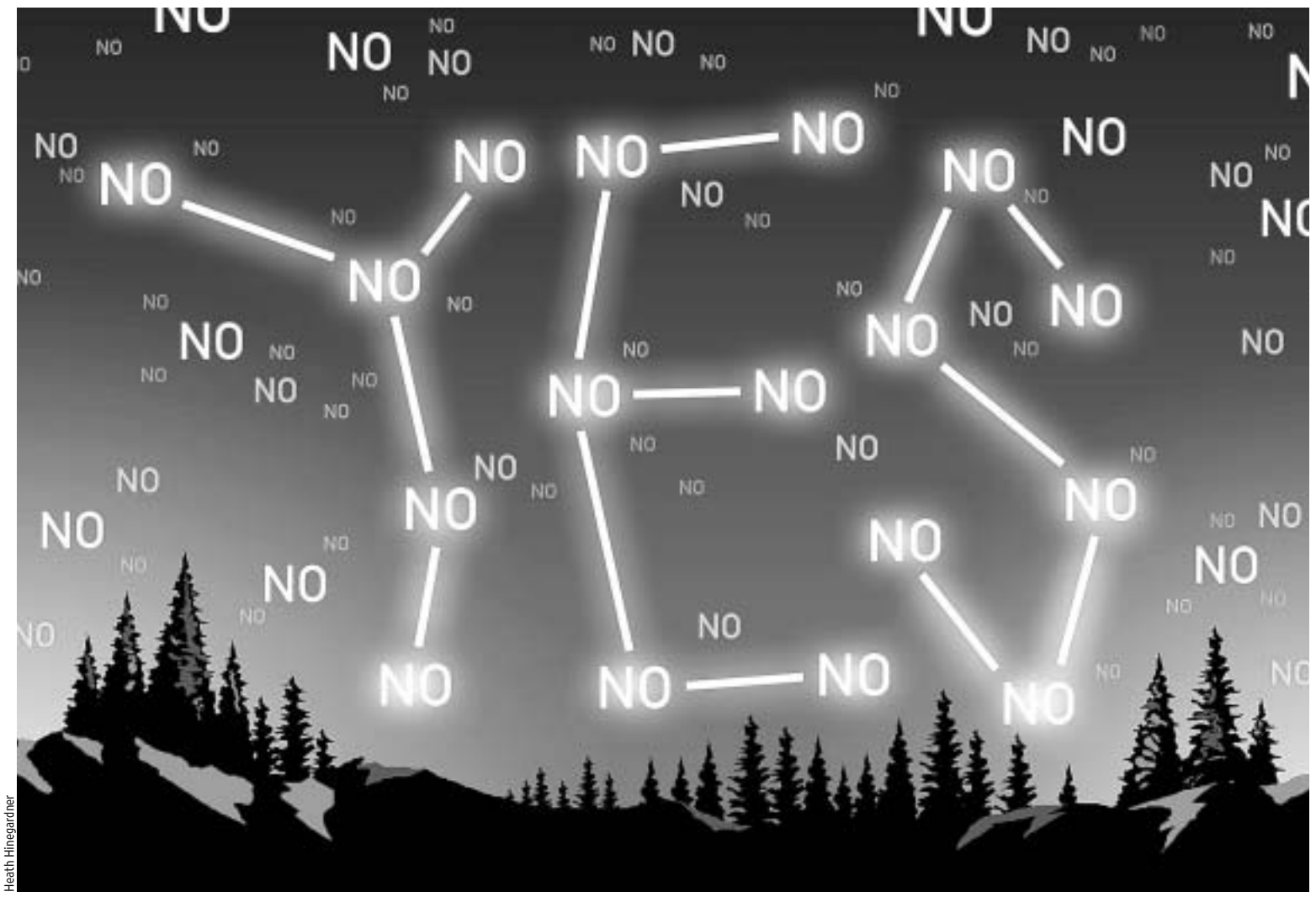
antam

Fully Listed in: Indonesia (ANTM) / Australia (ATM). This communication is not an invitation to engage in, nor advice related to, any kind of investment activity. It is for information purposes only. Queries related to investment activities should be addressed to a licensed broker.

Ignoring the yes-man in your head

Why do investors often disregard warning signs? Some tips to counteract the 'confirmation bias'

By Jason Zweig



Heath Hinegardner

A mind is a terrible thing to change. You decide gold is a good bet to hedge against inflation, and suddenly the news seems to be teeming with signs of a falling dollar and rising prices down the road. Or you believe stocks are going to outperform other assets, and all you can hear are warnings of the bloodbath to come in the bond and commodity markets.

In short, your own mind acts like a compulsive yes-man who echoes whatever you want to believe. Psychologists call this mental gremlin the "confirmation bias." A recent analysis of psychological studies with nearly 8,000 participants concluded that people are twice as likely to seek information that confirms what they already believe as they are to consider evidence that would challenge those beliefs.

THE INTELLIGENT INVESTOR

Why is a mind-made-up so hard to penetrate?

"We're all mentally lazy," says psychologist Scott Lilienfeld of Emory University in Atlanta. "It's simply easier to focus our attention on data that supports our hypothesis, rather than to seek out evidence that might disprove it."

It also is easier for people to rationalize than to be rational. "We're very good at cooking up post-hoc explanations of why our predictions didn't work," Prof. Lilienfeld says. "We reinterpret our failures as near-misses: 'This stock would have gone up if only X had happened,' or '99 times out of 100 I would have been right if not for this freak event.'"

The more you learn, the more certain you become that you are right. While gathering more data makes people more confident, it doesn't make their predictions much more accurate. Each new fact makes you more inclined to find another fact that resembles it, reducing the diversity and value of your information.

Confirmation bias contaminates the thinking of professional investors, too. "We've made tons of errors like this," says Staley Cates, president of Southeastern Asset Management, the Memphis, Tenn., value-investing firm that runs the Longleaf funds. "A lot of psychological traps can be combated with humility, but on this one, that doesn't help." Longleaf, Mr. Cates says, clung too long to a big position in General Motors, letting product improvements and cost savings "blind us to the fact that GM might not make it" without government help.

So how can you counteract confirmation bias? Gary Klein, a psychologist at Applied Research Associates, of Albuquerque, N.M., recommends imagining that you have looked into a crystal ball and have seen that your investment has gone bust. Next, come up with the most compelling explanations you can find for the failure. This exercise, which Christopher Davis of the Davis funds has integrated into the research process at his value-investing firm, can help you realize that your beliefs mightn't be as solid as you thought.

Try estimating the odds that your analysis is wrong. Let us say that you reckon there is a 20% chance of an adverse outcome; that is like saying you will be proven wrong one in every five times. This way, if the investment does go awry, you will be less likely to dig in your analytical heels and desperately try to prove that you are still right. This procedure, says Michael Mauboussin, chief investment strategist at Legg Mason Capital Management, provides "psychological cover for admitting that you're wrong."

Show your investment to another person you respect whose ego isn't already invested in the decision. Ask: If you didn't own this, would you buy it now? If you did own it, would you sell it now?

Run an imaginary portfolio alongside your real one. There, you can buy or sell at will, with no risk to your wealth. On that blank slate, would you own more—or less—of this investment? Mr. Cates says Southeastern Asset Management requires each of its analysts and portfolio managers to run a paper portfolio and to justify any differences between their paper holdings and the firm's real-world bets.

Before you buy, write down a statement of what would compel you to change your view of the investment. If any of those events come to pass, the written record will make it harder for you to pretend nothing has changed or that you don't have to do anything in response.

Messrs. Cates, Davis and Mauboussin help run funds that posted steep losses last year clinging to stocks in the face of evidence that they might be wrong. They all say that fighting confirmation bias is a never-ending battle. But if you can't conquer this gremlin of your own mind, you don't stand a chance of outwitting the market.

Email: intelligentinvestor@wsj.com

WSJ.com

Online today
Jason Zweig discusses the warning signs that an investing plan is off-track at **WSJ.com/PersonalFinance**

KKR deal king Bae bags prize truffle—for $129,000

Agence France-Presse/Getty Images

Savoring the scent at the auction Nov. 8 at the truffle festival in Alba, Italy.

By Laura Santini

HONG KONG—Earlier this year, private-equity investor Joseph Bae helped his firm, **Kohlberg Kravis Roberts** & Co., seal the US$1.8 billion acquisition of Korea's second-largest beer maker, Oriental Brewery Co. Earlier this month, he aided in a decidedly posher acquisition.

The takeover target: a 760-gram white truffle from the city of Alba, in Italy's northern Piedmont region, considered by many to have the best "tartufo bianco" in the world. The takeover price: one million Hong Kong dollars, or about US$129,000.

Mr. Bae's consortium included five other wealthy Hong Kong residents seated at his table enjoying a special eight-course truffle meal held at Crown Wine Cellars and prepared by Italian chef Massimo Camia. (One attendee gushed over the mashed potatoes with gorgonzola and white truffles.) On Nov. 8, Mr. Bae's group beat out a competing HK$900,000 million offer from a group of Italians, bidding simultaneously from their native land. After the contest, the esteemed truffle was loaded onto a plane and flown immediately to Hong Kong.

No, this wasn't a mere display of culinary indulgence. All proceeds for the truffle sale went to support three children's charities—the Changing Young Lives Foundation and Mother's Choice in Hong Kong and the village of Tempera, Italy, which will use the funds to rebuild a children's nursery destroyed in a recent earthquake.

Despite the rebound in global markets, truffle prices apparently remain off their historical highs. The US$129,000 transaction still pales behind the record US$330,000 Macau casino mogel Stanley Ho paid for a giant white truffle in late 2007.

Mr. Bae isn't saying what he and his unnamed truffle mates will do with the delicacy. One guess: it won't be served with a six-pack of Korean beer.

THE MART

BUSINESS OPPORTUNITIES

Are you seeking experienced, 100% independent representation in

AUSTRALIA?

We provide a wide range of corporate and representation services to a select group of quality Asian companies, with our Managing Director, Dr Rod McNeil, having over 20 years' senior experience representing the interests of Asian companies:

•Adviser to several Fortune 50 companies;
•International law firm partner in Hong Kong;
•Director of over 30 companies over last decade;
•Extensive experience in the property, FMCG, mining, tourism, healthcare, agricultural, insurance and IT industries;
•Experienced in dealing with Government and Government Departments at the highest level.

If you are looking for cost effective, experienced, 100% independent representation for your interests in Australia, please feel free to contact us at one of our offices (in Melbourne and on the Gold Coast) to discuss your requirements:

Dr Rod McNeil, Managing Director
ASTRALGUS PTY LTD
PO Box 690, Gisborne, VIC 3437 Australia
PO Box 606 Main Beach, QLD 4217 Australia
Tel: 61 (0)400660200
Fax: 61 (0)3 98194125
Email: astralgus@bigpond.com
Web: "www.astralgus.com"

ANNOUNCEMENTS

CEA CALIFORNIA EARTHQUAKE AUTHORITY

FINANCIAL ADVISORS

The California Earthquake Authority (CEA) is soliciting proposals from Financial Advisors to provide high-level expert advice on financial matters, including the evaluation and execution of debt and risk transfer instruments; and serve as a member of the organization's investment compliance committee. Please refer to the Contracting and Employment Opportunities section of the CEA's website at **www.EarthquakeAuthority.com** for a copy of the RFP, minimum qualifications, and contact information. Responses to this RFP are due by 4:00p.m. Pacific Time on December 18, 2009.

BOATING

YACHT FOR SALE OR TRADE

1993/2005 105' Westport Hull Crescent Beach Motor Yacht with 4 staterooms

SURVEYED AND APPRAISED AT $2.9MILLION USD

DIVORCE FORCED SALE SO MAKE YOUR BEST OFFER

Contact: Kevin at 404.307.0995
or email southernbaron@aol.com

BUSINESS OPPORTUNITIES

New Global Category

100% water therapy products (trade secret). Exclusive distribution, private label. Six years market testing, $9m in sales. Patent, IP, registered trademarks.
800-367-6478
ExclusiveDistributor@Yahoo.com

BUSINESS OPPORTUNITIES

Tax Credits

For Sale
$700,000 per yr. for 10 years.
Must be a C Corp.
Dan 614 679 6672
dslane@theslanecompany.com

BUSINESS OPPORTUNITIES

HONG KONG, GERMANY
SCANDINAVIA & EU
LAUNCHING NOW
This is the **Network Marketing** Elite to end all Elites.
Have you got what it takes to join the Worldwide Leadership Team?
24Hr Msge: +44 (0)1372 466270
WorldwideReply@Yahoo.com

BUSINESS SERVICES

USA INVESTMENT AND FINANCE
I provide assistance with US business and real estate investments and immigration and help raise money in the United States. Washington DC:
Jeffrey D. Easley, Esq.
Tel 1-202-756-2296 info@JDELaw.com

Our Business Plans Get Results!

Since 1974 our institutional business plans have an unprecedented 87% success rate and have raised billions in equity and debt funding for our clients worldwide!
www.StillmanGeorge.com
1.800.270.3954

TRAVEL

SAVE 60% FIRST/BUSINESS
Major Airlines. Corp. Travel
www.cookamerican.travel
(212) 201-1824
We Will Not Be Undersold
Cook **American Express Rep.** Travel Services

MAKE GREAT CONNECTIONS IN ASIA. THE WALL STREET JOURNAL ASIA.

To advertise
Brian Tong
Sales Director
Classified Advertising
The Wall Street Journal Asia
Hong Kong: 852 2831 2552
Fax: 852 2574 2618
Singapore: 65 6415 4279
Fax: 65 6225 5039
brian.tong@dowjones.com

THE WALL STREET JOURNAL. ASIA

TECHNOLOGY

Easy tricks to

As handhelds get more sophisticated they become prime targets for hackers

John Weber

By Roger Cheng

Given how much information can be found in people's smart phones—contact lists, emails littered with details about their personal lives and their work, company documents and data, personal financial information and passwords—it's startling how little most users feel the need to protect the devices.

"People have a false sense of security" about their phones, says Daniel Hoffman, chief technology officer of SMobile Systems Inc., a provider of security software for mobile devices.

Security experts have long warned of the vulnerability of smart phones to hackers. And in the past year the threat has been highlighted by an attack on the Symbian operating system, used mainly by Nokia Corp. phones, and a demonstration at a conference of a flaw that was found in the iPhone's security.

As the software for smart phones becomes more sophisticated and open, they become better breeding grounds for a new generation of spyware and viruses. Hackers can work their way into your phone through text messages, steal your information and use your contact list to find more victims. Scammers can now dupe you into revealing your Social Security number or credit-card account number on your phone, just like they've been doing for years on PCs.

There are low-tech ways to get into trouble, too. Theft or loss of your phone can be much more than an inconvenience if the person who ends up with it chooses to explore its contents. And you can even give away sensitive information by using your phone without regard to who might be watching or listening to you.

To some extent, you need to rely on your phone's maker to keep you safe. But there are several simple ways you can help protect yourself.

Here's a look at some of the dangers and how you can minimize them.

Message Minefields

Text messaging is a favorite service for many mobile-phone users. It's also becoming a favorite line of attack for scammers. For instance, text messages carrying insidious coding were the weapon in an attack late last year on phones using the Symbian operating system and were later identified as a threat to the iPhone.

For owners of the Symbian phones that were targeted, the attack was a major annoyance. Phones that received the malicious text messages shut down and lost their ability to receive any further text messages—damage that could only be repaired by sending them back to the factory. Then, in July, hackers at a conference on digital security demonstrated the ability to send text messages to iPhones that would allow the senders to gain access to data stored in the devices.

Apple Inc. and the Symbian Foundation patched up the holes in their security. For attacks like these, users have no defenses of their own—the messages do their damage without any action on the part of the user. But these incidents should alert smart-phone users to the vulnerability of their devices, and encourage them to guard against other kinds of attacks.

That includes phishing scams, which attempt to acquire personal data such as passwords or credit-card account information through fraudulent messages. These scams have spread from email to text messaging. Here the best protection should be familiar: Be skeptical of any messages that ask for passwords, account numbers or any other personal information. When in doubt, check directly with the company that claims to be asking for the information.

Multimedia messages—photo attachments sent like text messages—also pose a threat. A message could contain a virus that not only can tap into any information stored on your phone but also dig into your phone's address book to spread itself to all of your contacts. Other versions might spread by using the phone's Bluetooth connection to attack nearby devices. Attacks like these will drain your phone's battery and leave you with a large messaging bill, not to mention the embarrassment of contaminating the phones of your friends and colleagues, or even perfect strangers.

Again, caution is the best protection. If you don't know the origin of the message or don't recognize the

protect your smart-phone data

number it's sent from, it's best to delete it before opening. Even if you do recognize the number, be wary of messages you weren't expecting, since viruses spread through contact lists look like they're coming from a trusted source.

Denying applications

Applications could be another avenue for hackers, security experts warn, though it appears to be one that hasn't been explored yet to any great extent.

One way to head off potential problems is to limit the access applications have to your phone's functions. For example, some games require access to your Internet connection so that they can compare your scores to those of other players.

But many applications don't need this capability, and if you find that one of those apps does have access to your connection, it could be a sign that something is amiss.

Smart phones running on the Android operating system or the BlackBerry system allow you to limit the amount of access an application has. You simply head to your Settings menu and choose Application. You can then look at each application to see which phone functions it has access to, and deny it access to any that don't seem necessary.

Losing it

One sure way to give strangers access to your phone is to lose it. And of course theft is another concern. If you have sensitive data on the device, make sure you have a way to remotely erase the contents—and that you know how to do it. Most corporate phones have the ability, as do iPhones, BlackBerrys and Windows Mobile phones.

If your phone doesn't have the capability, SMobile offers a program that allows you to remotely back up data and wipe the device clean. The company charges $20 a year for the software, which works with most smart phones.

A password is another simple measure that can go a long way toward deterring common thieves from gleaning anything from your phone. All smart phones have the ability to create a password built in. For BlackBerrys, simply go to the Security Options under Settings to turn on the password. Similarly, iPhones have the option in the Settings menu.

For extra security, you can set up additional passwords for other actions, such as accessing email or downloading a program. That can also be done in the Settings menu. BlackBerrys have the option to encrypt data on the media storage card so it can only be read on that phone. Simply go to the Media Card menu under Settings to activate the encryption.

Another easy way to lessen your vulnerability is to limit the amount of personal information on your phone. Don't list your home address, or the personal relationships with your contacts. Also, never place your credit-card or bank account numbers on your phone. There are programs designed to track down the 16-digit credit sequence in electronic devices.

If your phone is lost or stolen and you get it back, be wary of any new applications that have been loaded. If your cellphone is sluggish, take it to the carrier; it might be compromised.

Keep It Down

It's also important, and easy, to shield your phone from prying eyes and ears.

3M Co. makes a thin film called the Mobile Privacy Filter that goes over your screen, making it tough to see what's displayed unless you're directly in front of the phone. It can be found at any office-supply store or online for roughly $10.

Also, try not to discuss sensitive topics in public.

It sounds obvious, but people sometimes appear oblivious to those around them as they discuss work or rattle off their name, Social Security number or credit-card account numbers while making purchases or taking care of personal business on the phone.

Guards walk past an advertisement for iPhone in Beijing.

Associated Press

smartone-vodafone.com
SmarTone
vodafone
Smartphones need a smart network
Make the most of Android smartphones with our blazing speeds, exclusive local apps and Apps Select to help you discover even more.
Love the difference
HTC Hero™
Smartphone at its best
• Sense UI
• Supports Multi-tasking and Flash
• 5 Megapixel camera
• Download: Up to 7.2Mbps Upload: Up to 2Mbps
$398/mth
Handset $0
Unlimited data usage
Voice mins: 3300
HTC Magic™
Sleek and powerful
• Sense UI
• Supports Multi-tasking and Flash
• 3.2 Megapixel camera
• Download: Up to 7.2Mbps Upload: Up to 2Mbps
Now just as powerful as the Hero
$298/mth
Handset $0
Unlimited data usage
Voice mins: 1300
HTC Tattoo™
Mini size, any style
• Sense UI
• Supports Multi-tasking and Flash
• 3.2 Megapixel camera
• Download: Up to 7.2Mbps Upload: Up to 384Kbps
$298/mth
Handset $0
Unlimited data usage
Voice mins: 1300
Samsung Anycall GALAXY
Sharp and fast
• Up to 5.76Mbps upload speed, the fastest of all smartphones Download: Up to 7.2Mbps
• 8GB internal memory
• AMOLED HVGA 3.2" screen
• 5 Megapixel camera with flash
$398/mth
Handset $0
Unlimited data usage
Voice mins: 3300
Consult our Android experts at our stores or join our workshops!
$398 monthly plan includes 1,800 basic & 1,500 intra voice mins. $298 monthly plan includes 800 basic & 500 intra voice mins, and requires subscription to other services, costing not less than $36/month. All monthly plans require 18 – 24 months contract. Refundable prepayment will be credited to customers over the contract period. The data usage applies to mobile phone use only and charges cover local usage only. Terms and conditions apply. Upstream speeds are based on current Android handset specifications. Actual connection speeds may vary due to Internet traffic conditions, local conditions, hardware, software and other conditions, which may arise. Android is the trademark of Google Inc.

INTERNATIONAL PROPERTY INVESTMENT FORUM 2009

ORGANIZER CBRE CB RICHARD ELLIS 世邦魏理仕

MEDIA PARTNER THE WALL STREET JOURNAL. ASIA PRINT • ONLINE • MOBILE

INVESTING IN A Five Star Lifestyle

HOTEL BRANDED PROPERTIES

21 November, 2009

Registration: 1:00-2:30pm Seminar: 2:30-5:00pm

Pacific Place Conference Centre

5/F, One Pacific Place, Admiralty, Hong Kong

Register Now

seminars@cbre.com.hk

or

+852 2820 2906

or

www.cbre.com.hk/hongkong/eng/ipif2009.aspx

MODERATORS

Ms. Rebecca Shum
Executive Director,
CBRE Investment &
Project Marketing

Mr. Robert Mcintosh
Executive Director,
CBRE Hotels,
Asia Pacific

Mr. Yu Kam Hung
Past President,
The Hong Kong Institute
of Surveyors

SPEAKERS

The Sukhothai's Unique Award Winning Formula Inspires Luxury Residential Development
Mr. Benjamin Cha
General Manager & Director of Development,
HKR International Ltd, Owner of the Sukhothai Hotel, Bangkok

The Ritz-Carlton Residences Bring New Levels of Luxury and Prestige to Singapore Real Estate
Ms. Ong Chih Ching
Founder & Group CEO
KOP Group, Developer of the Ritz-Carlton Residences Singapore

Living the Glamorous Baccarat Lifestyle in Shanghai
Mr. Jeff Yamaguchi
General Manager, China
Baccarat Hotels & Resorts

CNBC presents Standard Chartered CEO POWER SESSION 2009

The most important issues tomorrow. The top leaders today.

What will the future of capitalism be? Which countries will shape the next decade? What will the relationship between the US and China be like? Key industry and opinion leaders in Asia will give their take on these and other weighty issues at the CEO Power Session.

Hosted by award-winning CNBC anchor Maria Bartiromo, this closed-door panel discussion will put forth bold predictions for the next ten years. This is an event that offers thought-provoking insights on the issues that matter most in the next decade.

Dr. Philip S. Carmichael
President, Asia Pacific
Haier Group

Ronald Arculli
Chairman
Hong Kong Exchanges and Clearing Limited

V. Shankar
Member of Group Management Committee
Standard Chartered Bank

Girish S. Paranjpe
Jt-CEO, Wipro IT Business
Wipro Limited

CNBC ASIA BUSINESS LEADERS AWARDS

PRESENTING SPONSOR Standard Chartered

ASSOCIATE SPONSORS Mercedes-Benz Datacraft

TELECOMMUNICATIONS PARTNER axiata

OFFICIAL HOTEL CAPELLA

KNOWLEDGE AND RESEARCH PARTNERS CHICAGO BOOTH DDI

SUPPORTED BY

HELD IN UNIQUELY Singapore

* Attendance at the event is strictly by invitation only. For more information about the Awards, please log on to http://abla.cnbc.com.

HEALTH

Dr. Michael Miyamoto

Researchers using CT scanners found signs of heart disease, long thought to be a modern malady, in mummies including that of Djeher, from the fourth century B.C.

Heart illness cursed mummies long ago

By Ron Winslow

ORLANDO, Fla.—Researchers said they found evidence of hardening of the arteries in Egyptian mummies dating as far back as 3,500 years, challenging long-standing assumptions that cardiovascular disease is mainly a malady of modern societies.

A team of heart-imaging experts and Egyptologists examined 22 mummies from the Egyptian National Museum of Antiquities in Cairo in a CT scanning machine, looking for evidence of calcium buildup that could indicate vascular disease.

They were able to identify the hearts, arteries or both in 16 of the mummies, nine of whom had deposits of calcification. An analysis determined the deposits were either definite or probable evidence of atherosclerosis, the condition that leads to heart attacks and strokes.

"Not only do we have atherosclerosis now, it was prevalent as long as 3,500 years ago," said Gregory Thomas, a cardiologist and imaging specialist at University of California, Irvine, who was principal investigator of the study. "It is part of the human condition."

The research was presented Tuesday at the American Heart Association scientific meeting here. A report also appears in Wednesday's issue of the Journal of the American Medical Association.

Heart disease is the world's leading killer, and it is increasingly common in developing countries such as China, India and in Latin America. The growing prevalence of the disease is often attributed to urbanization, fast-food diets, smoking and sedentary lifestyles characteristic of Western societies.

"I was under the impression that most of what we deal with in atherosclerosis is a modern disease," said Raymond Gibbons, a cardiologist at Mayo Clinic, Rochester, Minn., who wasn't involved with the study.

So was Dr. Thomas. When he gave a lecture in Cairo early in 2008, he and a colleague visited the Egyptian Museum. His eyebrows went up when he read the nameplate accompanying the mummy of Pharaoh Merenptah, who ruled between 1213 and 1203 B.C. The nameplate said that when the pharaoh died at about age 60, he had atherosclerosis, arthritis and dental decay.

"I didn't believe it," he said. "I wanted to know whether it was accurate, and if it was, how often did people have it."

He helped assemble a team of imaging specialists, joined up with archaeologists and mummy experts, and got permission from Egyptian authorities to perform the studies, 20 of which were done at the museum last February. (Images from two previously scanned mummies are included in the study.)

The researchers found calcification in some arteries or along suspected arterial routes. On the scans, "atherosclerosis looks just like it does in our modern-day patients," said Randall Thompson, a cardiologist at Mid America Heart Institute, Kansas City, Mo., another researcher on the project.

Evidence of disease was found in seven of eight mummies determined to be age 45 or older, and in two of eight believed to be under 45.

Where did it come from? Researchers don't know for sure. But they noted that the mummies had all been members of upper-class Egyptian society, and their diets included meat from cattle, ducks and geese. In addition, because there wasn't refrigeration, salt was commonly used to preserve meat and fish, raising the possibility that some of these Egyptians had high blood pressure. Whether anyone was obese couldn't be determined by the scans, but tobacco wasn't part of the pharaohs' lifestyle.

The researchers couldn't determine whether any among the group of Egyptians had actually died of cardiovascular disease.

Still, the findings suggest "we have to look beyond risk factors to explain why atherosclerosis occurs and why it progresses," Dr. Thompson said. Genetics likely play a role. "This disease is as old as the pyramids," he said.

The study was funded by National Bank of Egypt, Siemens AG of Germany and St. Luke's Hospital Foundation in Kansas City.

WSJ.com

Online today
See photos of the mummies undergoing their tests at WSJ.com/US

The $1.9 Trillion Gimmick

What passes for a joke on Capitol Hill these days is that Bernie Madoff, given his experience managing Ponzi schemes, should be put in charge of the federal budget. Nancy Pelosi & Co. seem to have taken it as a serious suggestion.

Any day now, the House is expected to vote on a $210 billion fiscal swindle that will prevent automatic cuts in Medicare payments to doctors. The entitlement's price controls are scheduled to fall by 21.5% in January and another 2% every year after that under a formula known as the sustainable growth rate, and eliminating the SGR was the price the American Medical Association demanded in return for its endorsement of the House health-care bill that passed earlier this month.

The "doc fix" was originally part of ObamaCare, until Mrs. Pelosi realized that adding a quarter-trillion dollars to the total tab made it difficult to pretend the bill would reduce the deficit. In the "Fiscal Responsibility" section of the press release announcing the separate SGR package, Democrats insist that it will be subject to "the 'pay as you go' principle of budget discipline," which "requires Congress to find a way to pay for any new spending" with new taxes or cuts.

The Democrats' 'doc fix' for Medicare payments would shock Madoff.

The Comedy Central punchline: "A previous Congress established the policy for paying Medicare doctors, so the update for 2010 is not a new policy to be paid for. . . . The Medicare Physician Payment Reform Act would not increase total payments to physicians above what they are today and therefore, would not be subject to the paygo requirement." In other words, under the Madoff school of accounting, Democrats rely on straight deficit spending.

Yet even that obscures the true costs. Mrs. Pelosi stripped $35 billion from the original score by changing the way Medicare pays for drugs administered in physician offices and raiding a Medicare reserve fund. President Obama's continued promises that he won't sign a health bill that increases the deficit is by now indefensible.

Everyone agrees that the SGR must be corrected, given that steeper cuts in Medicare's submarket price controls mean that many physicians will refuse to treat seniors—but not without cleaning up the mess created by the prior cost-control inspirations of the political class. A new Heritage Foundation study by the former Medicare trustee Thomas Saving and economist Andrew Rettenmaier finds that eliminating the SGR without offsets will increase Medicare's unfunded liabilities by $1.9 trillion over the next 75 years. Given that the entitlement is already about $39 trillion in the hole (give or take a few trillion), the SGR fix alone is a European-style value-added tax waiting to happen, not including the huge new permanent spending commitments created by ObamaCare.

Senate Democrats already scotched the two-bill approach earlier this month, which is itself a good indication of how reckless Mrs. Pelosi's gambit is. Even Madoff might blush.

Pressing Reform for India

Economic reform ideas didn't factor much into the re-election victory of India's Congress Party-led government in May. Which is why it's encouraging to see Prime Minister Manmohan Singh reviving proposals to liberalize one of the country's most protected industries: media.

At issue is a possible increase of the cap on foreign ownership of news media companies to as high as 49% from 26%, financial newspaper Mint reports. The Telecom Regulatory Authority recommended such a liberalization earlier this year. This would be a positive step for Indian consumers, who stand to gain if this encourages greater investment and competition in the sector. It would also be a win for foreign investors who have long sought more ways into one of the world's most vibrant and growing markets for news.

Passage of any reform is still a long way off, but the mere fact the government would raise the issue now is a good sign. Reform plans died quickly after the regulator's February report, presumably because Mr. Singh preferred not to anger influential local news barons ahead of a national poll. Now, with the next major state-level elections not due for more than a year, the window for this and other reforms is open.

If anything, the proposed liberalization is on the timid side. Foreign news companies would still be barred from publishing local editions tailored to the needs of Indian readers. Other attempts to sell news also are limited, such as the content-sharing agreement this newspaper has with Mint. Only 20% of an Indian paper's contents can be branded foreign content. We think Indian readers would benefit from having the option to choose for themselves whether they want to read us or other newspapers in the form of a local edition, rather than letting government fiats choose for them.

Still, any liberalization marks progress, especially if Mr. Singh is willing to push ahead with something as contentious as foreign-media investment caps. This is about more than our self-interest, or that of other news companies. From agriculture to financial services and more, India's economy remains shackled by anticompetitive regulations. As the architect of the early 1990s "big bang" reforms, Mr. Singh has seen the benefits of opening up. He can now capitalize on this political opportunity to do more.

TARP's Moment of Truth

Democrats are now claiming they really truly are worried about America's exploding deficits. Lucky for them, South Dakota Senator John Thune is giving them the perfect chance to prove it.

The Republican Tuesday introduced a bill that would bar Treasury Secretary Timothy Geithner from extending the $700 billion Troubled Asset Relief Program beyond its expiration date on December 31. The legislation would not affect the roughly $400 billion worth of handouts that remain with the likes of Citigroup or General Motors. It would, however, halt further lending and immediately return the fund's $300 billion in unobligated money to taxpayers.

The White House keeps claiming it wants to do just that, but Mr. Geithner also refuses to rule out signing a TARP renewal. What the Administration won't say is that it likes retaining a slush fund that can be doled out carte-blanche to politically worthy recipients. Only this week AFL-CIO President Richard Trumka dreamed up a new use for TARP money, demanding it be recycled into favored community banks or small businesses. This is how an emergency bailout program morphs into a White House's "walking around" money.

Senator Thune has tried several variations on the end-TARP theme, and with each attempt has picked up Democratic support. When he offers this new proposal—perhaps as part of must-pass legislation to raise the debt ceiling to an eye-popping $13 trillion—taxpayers will be watching "deficit-hawk" Senators, from Alaska's Mark Begich to Arkansas's Blanche Lincoln to Nebraska's Ben Nelson. For Democrats who claim to care about runaway spending, no vote could be easier. TARP has served its purpose, and then some. End it.

Iran, Its Hostages and the West

Iran's big news Tuesday is that the government will formally kill five people who participated in June's pro-democracy rallies. Consider, though, the implications for the West's peace-brokers of the case of Frenchwoman Clotilde Reiss.

It is now 20 weeks since Ms. Reiss was arrested while trying to leave Iran and 12 weeks since she was released to the French Embassy "to await her return to France," in the words of President Sarkozy. She's still waiting.

This week, the Islamic Republic resumed legal proceedings against her. Iran has refused to let her leave the country, and the French have complied. But by delivering her to an Iranian court for proceedings this week, Mr. Sarkozy is gambling with the 24-year-old's life.

In its 30 years, the Islamic Republic has used assassination squads, fatwas, terrorism and hostage-taking as tools of its war with the West. A nearly unbroken string of outrages connects the taking of the U.S. embassy in 1979 to the death sentence demanded for writer Salman Rushdie in 1989 to, more recently, the grabbing of British sailors in 2007. Add to that the detention and trial of Iranian-American journalist Roxana Saberi earlier this year, the 12-year prison sentence meted last month to Iranian-American scholar Kian Tajbakshsh and, most recently, the charges of espionage leveled against the three American backpackers who stumbled across the Iranian border in July.

Ms. Reiss's ordeal is merely of a piece of this. But it ought to be an instructive piece, particularly as Iran's nuclear ambitions come closer to realization. That's the real significance of this week's report by the International Atomic Energy Agency about Iran's formerly secret uranium enrichment facility near Qom, which the agency concluded had no possible relevance to any purported civilian power program. Once Iran goes nuclear, the whole world becomes its hostage.

For too long the West has responded to these various outrages by offering Iran little more than meek compliance, plus a clean slate the moment any one crisis is resolved. Now President Barack Obama is again beseeching Iran to take the nuclear deal offered to it last month. Nobody should expect Iran's leaders to show good faith. Not when their days are spent executing protestors and abusing the likes of Clotilde Reiss.

OPINION

The Economics of Jay Leno

[Business World]

BY HOLMAN W. JENKINS JR.

If Comcast takes over NBC Universal, will Jay Leno return to 11:35 pm?

That unimportant question is emblematic of the pending sale by GE of a controlling stake in its media properties to the cable giant. Mr. Leno was moved to 10 p.m. as a cost-saving gesture: Since his show is so cheap, GE can make money even after chasing away much of its audience for the high-end scripted shows that used to appear at that hour.

As Mr. Leno explained in a candid interview with trade bible Broadcasting & Cable: "If you are making buggy whips and no one is buying buggies anymore, do you keep making buggy whips? I don't know. This is an economic decision."

In Jack Welch's day, an employee perhaps would not have expounded so freely. Otherwise, however, GE is behaving like what it's always been, an unsentimental owner of a business that it no longer likes and doesn't know how to fix.

Yet, truth be told, Comcast's shareholders don't want the job of fixing NBC either. Only the controlling Roberts family does—and then because the alternative may be having no great future as a prominent American business family. Ergo, a deal merging "content" and "distribution" seems inevitable, even though the track record of such deals is unpropitious.

Television is the next form of content everyone will demand for free.

This would be a merger, after all, of two businesses that seem headed toward some combination of the fates of newspapers, music CDs and the old wireline telephone business. Customers want the product for free. Comcast's lifeblood, the $100-a-month cable bill and the $50-a-month broadband bill, increasingly look like duplicative expenses. And so on.

True, the number of households that have actually dropped their cable subscriptions in favor of subsisting on TV streamed or downloaded from the Internet is not yet large. But for the Roberts family and its Comcast property, their worst fears lurk just around the corner—being reduced to a "dumb pipe," subject to commodity pricing while somebody else (Google) makes all the money.

Yet an escape route is vexingly hard to envision. Time Warner and Comcast have been talking up plans to make their respective cable lineups available by computer—as long as you keep paying your cable bill. This is a stopgap, especially appealing to anyone who owns two homes but wants to pay only one cable bill. Never mind, too, that hundreds of shows are already available online for free, via Web sites operated by none other than Comcast and the TV networks themselves.

Yes, there's talk of dropping a tollgate next year to encourage customers to keep paying for traditional TV. Good luck with that—if the goal is still to discourage viewers from patronizing illegal file sharing.

No wonder Comcast shareholders say they wish the company would just Leno-ize its cable business—i.e., slash costs and extract cash from it. If there's a miracle out there, it probably resides in that unlikely and humble appliance, the set-top box, which also happens to be an untapped cornucopia of information about what you watch and when, recording every click of your remote.

Set-top data, when married with demographic information and purchasing histories, has long been touted as the foundation of a new kind and a better kind of advertising—personalized, less annoying, capable of commanding higher rates from marketers who lament that half their ad budgets are wasted (i.e., selling cat food to dog lovers), but they don't know which half.

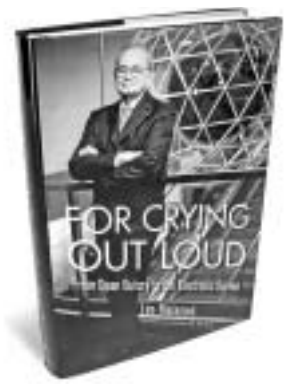
For Comcast and other signal deliverers, then, the long-term trick may be inveigling households into keeping the set-top box at the center of their entertainment lives. Maybe the box will be offered free in the future with your broadband subscription. Maybe it will be offered free regardless of who supplies your broadband. The set-top box will morph into your personal "media computer," a gift from a programming aggregator, as long as you agree to surrender large amounts of personal data about your viewing, surfing and purchasing habits.

Of course, Google and others are already trying to create this business model on the open Internet, without proprietary hardware in your house. If that weren't enough, there's also regulatory risk. Control of popular NBC cable networks such as CNBC and The Weather Channel might seem to Comcast a good source of leverage to keep viewers wedded to Comcast's box—but this is exactly the sort of leverage regulators will be keen to take away as their pound of flesh for approving the deal. Washington's bias, since the Internet went commercial in the 1990s, has been to use every such opportunity to impose on carriers the dumb pipe scenario that carriers are trying to avoid. Just ask the late-great AOL Time Warner.

Bottom line, since a deal seems nearly certain to happen: Would a savvy media investor wish the Roberts family luck in their gamble? Absolutely. Would such an investor care to come along for the ride? Maybe not so much.

From Screams To Screens

[Bookshelf]



For Crying Out Loud
By Leo Melamed
(Wiley, 343 pages, $39.95)

BY DAVE KANSAS

The Chicago Butter and Egg Board, spun off from the venerable Chicago Board of Trade, began doing business in 1898. One of its chief roles was to determine the rules for the proper grading of butter, right down to the smelling of individual butter kegs.

Things have changed. The Butter and Egg Board today is the CME Group Inc.—the most valuable financial marketplace in the world. Its market capitalization, about $21 billion, is nearly twice the combined market cap of the companies that run the New York Stock Exchange and the Nasdaq Stock Market.

This reality often surprises people. The financial world is very New York-centric. The business media and the biggest banks plant themselves in Manhattan. The ringing of the bell at the Big Board merits live coverage. Chicago? Usually it's the scene of a bunch of guys in strange jackets yelling at each other and wildly waving their arms. It is perhaps for these reasons that Chicago's success in the financial markets has gotten short shrift. That's too bad, because it's a great story.

Leo Melamed has been at the heart of the tale for more than 40 years. A trader, market executive and electronic visionary, Mr. Melamed has played a key role in transforming the old Chicago Mercantile Exchange (which the Butter and Egg Board became) into the dominant institution it is today.

As a law student in the 1960s, Mr. Melamed was transfixed by "The Merc" and its open-outcry trading system. Traders at The Merc met in pits, barking buy and sell orders at one another to set the prices for cattle, lumber, pork bellies and other commodities. (Commodities trade as "futures," meaning that people are buying and selling the right to get a certain commodity at a specific future date.) At the Merc, "locals" jockeyed with big firms. The spot where one stood in a pit could be worth a small fortune—and even it could be bought and sold. In "Escape to the Futures," a 1996 memoir, Mr. Melamed called The Merc "magical" and "exciting." He had to be part of it, he said, no matter what.

In "For Crying Out Loud," Mr. Melamed picks up where "Escape to the Futures" left off, focusing in particular on how he has spent much of the past 15 years or so dismantling the magical old Merc to make way for sleeker, faster technologies. Magic is nice, but speed wins. Mr. Melamed's push for electronic trading met stiff resistance, he reports, because so many loved the open-outcry system, just as he did. But Mr. Melamed saw earlier than most that the future of futures would be electronic. He regarded screen trading as an existential requirement for the CME—and, by extension, for all the Chicago markets.

'Open outcry' made the Chicago Merc seem magical. Electronic trading made it globally competitive.

Ultimately, he succeeded, helping position the CME to take advantage of the globalization of financial markets over the past decade. While floor trading still exists, electronic trading now dominates most of the CME's businesses. The pits are not nearly so crowded as they were in the 1990s.

With its growth and improving technology, the CME became the first U.S. financial market to go public, in 2002, and other markets quickly followed suit. In 2007 it acquired its cross-town rival and one-time parent, the Chicago Board of Trade, partly in a bid to thwart challenges from European competitors. And in 2008 it bought the New York Mercantile Exchange, cementing its position as the premier U.S. derivatives marketplace.

"For Crying Out Loud" is not all tales of techno-geewhiz. It includes essays and speeches dating back to 1991, one of them a commencement address that praises Adam Smith for showing that "an economic system could succeed only in an environment which allowed the freedom of individuals to pursue their own objectives." The book opens with a teaser reference to Mr. Melamed's bid to unseat the CME leadership in 2002 because it was not behaving as he would have liked. Unsurprisingly, he prevailed. He describes the victory gleefully later, in a chapter titled "Cabal" (of which he was a member). Mr. Melamed may extol dynamic change and technological innovation, but he obviously knows the Chicago Way and is no slouch with the knife.

His background may play some part in his perseverance and success. He and his family fled Bialystok, Poland, ahead of World War II and joined a small group of Jews who crossed the Soviet Union and eventually reached Japan. The family ultimately settled in Chicago. Much of this remarkable journey Mr. Melamed has written about before, but he touches on it from time to time in "For Crying Out Loud," not least in a moving reflection on the devastating effects of the Holocaust titled "There Are No Jews in Bialystok."

The journey from outcry trading to the CME of today is best captured in Mr. Melamed's accounts of market turmoil. By rule, every trade on the CME must clear each day before the market can open again. The CME has never failed to manage this feat, but after the 1987 crash it barely did: The last hundreds of millions of dollars trickled in just in time, to the great relief of Mr. Melamed. By the time of the Asian financial market crash, in October 1997, things had gotten much smoother, since technology permitted a more efficient handling of customer and trading information.

At the close of business on Sept. 12, 2008, just ahead of Lehman's earth-shaking collapse, the CME had $1.1 billion in open positions that tallied to a notional value of more than $1 trillion. "And yet bankruptcy and the attendant turmoil notwithstanding, all positions were fully paid for on the CME books—no defaults, no failures, no federal bailouts," Mr. Melamed writes. "In the midst of unprecedented global financial meltdown, as marquee names of finance . . . failed, the CME performed its operations without a hitch or disruption." That's a long way from eggs carts and butter kegs.

Mr. Kansas, the author of "The Wall Street Journal Guide to the End of Wall Street as We Know It," is the London-based European markets editor for the Journal.

THE WALL STREET JOURNAL.
ASIA

Almar Latour, *Editor in Chief, Asia*
Peter Stein, *Associate Editor*
Dean Napolitano, *Senior Editor*
Mary E. Kissel, *Editorial Page Editor*
Philip Owens, *Circulation Director*
Shawn Hiltz, *Marketing Director*
Alice Chai, *Research Director*
Connie Cheng, *Operations Director*
Simon Wan, *IT Director*
Olivier Legrand, *General Manager Digital*
Christine Brendle, *Publisher*
Published since 1889 by
DOW JONES AND COMPANY
© 2009 Dow Jones & Company. All Rights Reserved
DOWJONES
A NEWS CORPORATION COMPANY

Pepper . . . and Salt

THE WALL STREET JOURNAL

"I think they've been hit with enough already."

OPINION

The China Obama Didn't See

By Leslie Hook

Beijing

In the northeast part of this city, not far from the old Friendship Hotel, stands a boxy little cinema specializing in anime. A nondescript building on a nondescript thoroughfare, it's hardly a place one would expect a tourist to notice, much less a visiting president. Yet had Barack Obama wanted to understand something of the real China on his visit this week, his time would have been better spent here than at the various state dinners, Forbidden City photo-ops, and carefully managed town-hall events that consumed the balance of his time.

At ten o'clock Sunday morning, more than 500 members of Shouwang church gathered at the cinema for a service. Shouwang, founded in 1993 by pastor Jin Tianming, is one of the city's largest unregistered churches and counts around 800 regular members. But until last weekend, the church members had never once been able to meet in such large numbers in an indoor space in Beijing.

Shouwang is what is known in China as a "house" church, meaning that it is an unregistered entity in a country where all religious groups are supposed to report to the State Administration for Religious Affairs. Officially, the Chinese government counts some 10 million Protestants and four million Catholics belonging to registered churches, which proscribe evangelical activity and preach a patriotic dogma. But Chinese and foreign observers alike believe the number of Chinese belonging to underground churches may now exceed 100 million people. And that figure has been growing rapidly as increasing numbers of Chinese—particularly well-educated city dwellers raised on a diet of Party atheism—seek to clarify their own moral universes.

Shuttered churches belie a "harmonious" society.

Life has never been easy for the underground churches, and recently it has gotten a lot harder—the result, according to the Christian charity group China Aid, of a state directive handed down in August. What do China's powerful leaders have to fear from these churches, most of which steer clear of politics? It may be that they have grown increasingly paranoid about the political power of religion given the unrest they have recently faced in Buddhist Tibet and Muslim Xinjiang. Or it could be because dissident intellectuals, such as jailed human-rights lawyer Gao Zhisheng, have sometimes tended toward Christianity.

Whatever the reason, the crackdown has made things a lot more difficult for churches like Shouwang, which have tried to maintain a low profile. In recent weeks the church has been forced to hold their services outdoors (including during a snowstorm) as their attempts to find an indoor space were repeatedly rebuffed. Twenty minutes into Sunday's service, Pastor Tianming announced that "some of our brothers and sisters are being held at their homes and have not been able to come to church. But we are all one body in Christ, so we will wait for them to start the service." After another hour of singing and praying, the congregation suddenly broke into applause—one of the detained members, who is training to become a pastor, had apparently talked his way out of detention and arrived at the cinema. The service got underway; by the time it ended a second detained elder had arrived. The previous Sunday, it was Pastor Tianming who had been detained.

This story is hardly unique to Beijing. Earlier this month, police sealed the doors of the Wanbang church in Shanghai, scattering its congregation of 2,000 people. In Shanxi province one of the country's largest house churches, with dozens of branches and tens of thousands of members, has seen its leaders arrested in a crackdown that has worsened since September. Shouwang itself would not likely have obtained permission to hold its services at the cinema had Mr. Obama's trip not given authorities a reason to avoid ruffling feathers.

Now Mr. Obama is gone, after a visit that was conspicuous for its attentiveness to the sensibilities of China's rulers. As for the future of China's underground churches, it seems to hang by a thread. In their quest for stability and "harmony," China's leaders have been rolling back basic liberties in press rooms, court houses, universities and on the Internet. Shuttering underground churches is part of the trend.

But freedom of faith—which is really to say the integrity of conscience—is something not even history's most repressive governments have ever been fully able to snuff out: not the Romans in their suppression of the earliest Christians; not the Communists in their efforts to substitute History for God; not Joseph Stalin, Mao Zedong, Kim Il Sung and other cult-of-personality leaders who attempted to substitute *themselves* for God. So while Shouwang has no place to meet this coming Sunday, and no guarantee that any meeting at all will be possible, the church will still be there, only more deeply steeled in its faith. This is the side of China that will ultimately determine its future—the side President Obama opted not to see.

Ms. Hook is an editorial page writer for The Wall Street Journal Asia.

An Alternative Stimulus Plan

By Michael J. Boskin

While the economy has finally started to grow, the disturbingly high unemployment rate is increasing pressure from the left to double down on this year's poorly designed fiscal stimulus bill. Since the stimulus bill was signed, the ranks of the unemployed have grown by over three million. The unemployment rate, which the Obama administration projected the stimulus would contain at 8%, is now 10.2%.

There is little likelihood that another round of similar fiscal stimulus would yield much more than the paltry return on the first one. The original transfer payments and tax rebates barely nudged consumer spending, and the federal spending has been painfully slow. The delayed infrastructure spending—the shovels are still in the shed—will have a bigger impact, though less than claimed. Some of the funds to state and local government did reduce layoffs. The stimulus bill surely ranks dead last compared to the natural dynamics of the business cycle, the Fed's zero interest rate policy, and the automatic stabilizers in the tax code (which have reduced taxes proportionally more than income) as far as explanations for the improvement in the economy.

But to evaluate the stimulus properly we should consider not just what we got for the $787 billion cost but the effects of alternative policies that might have been enacted.

My Stanford colleague Pete Klenow and Rochester economist Mark Bils estimated that cutting the payroll tax by six percentage points (of the 12.4% Social Security component) would, under standard assumptions, increase employment by three million to four million workers—an amount equal to all the job losses since the stimulus was passed.

The payroll tax cut would have reduced firms' costs by roughly the same amount as from the entire decline in employment. It would have cost less than half as much as the stimulus bill, gotten far more income into paychecks quickly and, most importantly, greatly reduced incentives for firms to lay off workers. In fact, it would have created incentives to hire.

Even using the administration's claims of one million jobs "created or saved," the stimulus program passed in early February is millions of jobs short of what a cheaper payroll tax suspension would have delivered (see nearby chart).

Yet the president and Congress are preparing vast new taxes on employment in the health-care reform and other legislation. Raising the federal top tax rate to 45% (from the current 35% with a 5.4% surcharge plus the expiration of the Bush tax cuts) will hit successful small businesses especially hard. The tax hike on capital gains and dividends hidden in the fine print of the health-care legislation will also raise the cost of equity capital, further weakening businesses (including banks) desperate for private capital. Many firms will also face either an 8% additional payroll tax or be forced to pay a higher share of health insurance premiums.

It would be far better to junk part of the remaining stimulus in favor of a one-year partial payroll tax cut. Also accelerate spending that needs to be done eventually, such as replenishing depleted military equipment used up in Iraq and Afghanistan and adding a desperately needed two Army brigades.

There are five large interrelated headwinds to jobs and growth. First, continued deleveraging, unresolved toxic assets, and weak banks are constraining credit, especially for small business that is the source of most hiring. Second, household balance sheets depressed from declines in home values and portfolios are likely to constrain consumption growth. Third, government industrial-policy micromanagement with subsidies and mandates from pay to products is forcing noncommercial decisions on wide swaths of the economy from financial services and autos to energy and health care. Such policies have never worked before—ask the Japanese, Koreans and Europeans. Fourth, the explosion of spending, deficits and debt foreshadows even higher prospective taxes on work, saving, investment and employment. That not only will damage our economic future but is harming jobs and growth now. Fifth, the massive liquidity injections by the Fed raise the specter of future inflation.

More Bang for the Buck

Projected unemployment with a six percentage point cut in the payroll tax

Sources: Bureau of Labor Statistics and Michael Boskin

By far the best response to these headwinds is to curtail the huge current and contemplated future government control of the economy with a clear, predictable exit strategy—before the programs become permanently entrenched, develop powerful dependent constituencies, and greatly increase the risk of rising interest rates, inflation and taxation. Doing so would more rapidly improve the outlook for permanent private-sector employment, investment and growth than any conceivable second stimulus. It would also allocate capital and labor to their highest value in providing goods and services that people actually want and need, not what government bureaucrats want them to have.

The jobs agenda must begin with a Hippocratic oath: First do no harm to employment. That means jettisoning or at least delaying job-killing energy and health-care legislation with their mandates, taxes and costs that especially hammer small businesses. Also wind down, as soon as possible, the emergency measures which healthy businesses, households and investors fear will become permanent competitive impediments. Start with the Troubled Asset Relief Program, which the Treasury uses as a permanent revolving fund even for nonfinancial bailouts.

Financial regulation should focus on disclosure, transparency, effective clearing, capital adequacy, and new bankruptcy procedures. We also need a Plan B, modeled on the Resolution Trust Corporation cleanup of the savings and loans, in the event the losses on toxic assets are too large for time, profitability and economic recovery to manage. And the Fed must forestall future inflation by withdrawing its immense liquidity injections as soon and predictably as feasible (its initial steps are commendable).

Finally, if possible, we should complement these pro-employment policies with long-run fiscal reform: control entitlement cost growth, e.g. with price rather than wage indexing of Social Security, and real tax reform with the widest possible tax bases and lowest possible rates. America's corporate tax rate, the second highest among advanced economies, is especially damaging.

That is a far more consistent common-sense recipe for more and better jobs, far sooner than the current contradictory and ineffective policy mess emanating from Washington.

Mr. Boskin is a professor of economics at Stanford University and a senior fellow at the Hoover Institution. He chaired the Council of Economic Advisers under President George H.W. Bush.

Lawsuit exposes rift among Agnellis

Daughter wants fresh accounting of estate

By Stacy Meichtry

ROME—Nearly seven years after the death of Gianni Agnelli, a dispute over the Fiat patriarch's estate has sparked tensions and riveted the nation that once considered him its unofficial king.

Last week, lawyers began to present closing arguments in a civil trial pitting Mr. Agnelli's daughter, Margherita Agnelli de Pahlen, 54 years old, against three of her father's closest advisers. In the lawsuit, Mrs. Agnelli de Pahlen asks for a fuller accounting of her father's estate, which has an estimated value of between $3 billion and $5 billion. She alleges that the advisers didn't provide a full accounting.

In court, her lawyers alleged that money and assets totaling more than €1 billion ($1.5 billion) remained unaccounted for when her father died in 2003, scattered in different bank accounts and investment companies outside Italy. Relations between John Elkann, her son and handpicked successor to Mr. Agnelli, have been severely strained by the suit, a person familiar with the situation says.

So far, the trial has remained closed to the public since it began in early 2008, and a judge isn't expected to reach a ruling until next year. Any ruling is likely to face a lengthy appeals process, which could drag out the affair for years. The proceedings have nonetheless left the family exposed to levels of public scrutiny that would once have been unthinkable. At the height of its power in the 1960s and '70s, the Agnelli family was the very definition of elegance and style—remaining above the fray even as Mr. Agnelli pulled the strings of Italy's political, media and banking worlds.

Some say the dispute has knocked the Agnelli name from its pedestal. "It's a demonstration the dynasty is finished," said Giorgio Airaudo, a union official for Fiat plant workers. "In the past, you wouldn't even have known about these problems. They would have been resolved behind the scenes."

In August, Italian tax authorities in Rome announced that Mrs. Agnelli de Pahlen's allegations had prompted them to open a probe into the Agnelli estate. As the inquiry and the trial continue, newspapers have brimmed with reports itemizing Agnelli assets, including yachts, palazzos and the family dogs.

"I'm indignant—and I'm not alone—over how things have been manipulated and for the violent words and falsehoods directed at my grandfather Gianni Agnelli," Mr. Elkann told reporters after the tax authorities' investigation was announced. Mr. Elkann, through a spokesman, declined to comment on the tax probe for this article.

The three advisers named in Mrs. Agnelli de Pahlen's lawsuit—Gianluigi Gabetti, Franzo Grande Stevens and Siegfried Maron—say they only looked after Mr. Agnelli's business interests and know nothing of alleged missing sums referred to in the lawsuit, according to Carlo Pavesio, a lawyer for Mr. Gabetti. A lawyer for Mr. Grande Stevens didn't respond to requests to comment. A spokesman for Exor SpA, the Agnelli holding company, declined to comment, as did a lawyer for Mrs. Agnelli de Pahlen.

Mr. Elkann, 33, appointed deputy chairman of **Fiat** SpA in 2004, has fashioned himself as the face of a new Agnelli generation that aims to keep its business affairs separate from family matters. Unlike his jet-setting grandfather, Mr. Elkann is soft-spoken, measures his words in public and doesn't seek the limelight.

Under the leadership of Mr. Elkann, the family has consolidated a

Fiat via Bloomberg News

It's making more than just headlines.

The Airbus A380 has made its name as the world's largest, greenest passenger aircraft. But the big news is that the A380 is also making big profits for operators. Whether it's being used to reduce the number of flights and create real cost savings while keeping similar capacity. Or to offer more capacity with fewer take-off slots at a lower cost per seat than any other large aircraft. Either way, passengers simply love it, and operators love the commercial advantages it brings. The A380's benefits are in hard cash, not just headlines. **Airbus A380. See the bigger picture.**

airbus.com Airbus, its logo and the product names are registered trademarks.

Squabbling over the estate of Gianni Agnelli, patriarch of the Fiat empire, is exposing his family to unusual scrutiny.

chain of holding companies it once used to control Fiat, the engine of the Agnelli fortune, into a single investment company—Exor. Mr. Elkann has also given Fiat Chief Executive Sergio Marchionne the latitude to make a daring push into the U.S. auto market with his overhaul of Detroit auto maker Chrysler.

"This is a completely new phase for the family," Sergio Chiamparino, the mayor of Turin, said in an interview. Mr. Chiamparino says the media coverage has been overblown. The Agnelli trial "is not what people talk about at the bar. What you hear is talk of how Marchionne is in Detroit and how this will bring us jobs."

Analysts say the trial is pulling at the very seams of Mr. Elkann's attempt to give the family business a corporate makeover. For starters, the plaintiff is his mother, and Mrs. Agnelli de Pahlen's allegations have left Mr. Elkann, who isn't named in the suit, caught in the middle. Messrs. Gabetti and Grande Stevens are members of Exor's board and continue to advise Mr. Elkann, Exor's chairman. An Exor spokesman said the trial won't have any repercussions on the Agnelli family holding company.

When Gianni Agnelli, grandson of the Fiat founder of the same name, took the reins of Fiat in the 1960s, Italy was in the midst of a postwar boom known as the "economic miracle" that helped to make Fiat and Turin industrial powerhouses.

Known in Italy as the *avvocato*, or lawyer, Mr. Agnelli channeled his wealth into an iconic lifestyle, amassing an extensive art collection, yachts and villas in Corsica and the Alps. He married a noblewoman, Marella Caracciolo di Castagneto, and served in Italy's Senate as a so-called senator for life.

Mr. Agnelli maintained an iron-clad grip on Fiat management, expanding into foreign markets and opening factories in South America. His dual role as the company's top manager and controlling shareholder, however, led to complex ownership structures as Mr. Agnelli sought ways to maintain control of Fiat without stretching the family's finances too thinly. By the time of his death, the Agnelli family controlled Fiat through a chain of three separate holding companies.

"The strong presence of the family owners mixed and confused the lines between shareholder and management," says Giuseppe Berta, a professor of industrial history at Milan's Bocconi University who formerly managed Fiat's historic archives.

In his later years, however, Mr. Agnelli faced the delicate task of handing over the reins of the family empire. Mr. Agnelli's first-born son, Edoardo, had battled drug abuse and wasn't in the running to succeed his father. In 2000, Edoardo was found dead beneath a highway overpass near Turin.

Mr. Agnelli's nephew, Giovanni Alberto Agnelli, who was in line to take the reins, died of stomach cancer at the age of 33 in 1997. Weeks after Giovanni's death, Mr. Agnelli publicly anointed Mr. Elkann, then 21, to follow in his footsteps. Mr. Elkann, the son of Mrs. Agnelli de Pahlen and the French writer Alain Elkann, had spent his summer breaks from college working incognito at car-assembly plants.

"Elkann has been commanded to join the board just like my grandfather commanded me," Mr. Agnelli told a Fiat shareholder meeting in June 1998, noting that he was 22 when he joined auto maker's management.

Upon Mr. Agnelli's death in 2003, the intricate process of dividing up his estate and securing the passage of power to Mr. Elkann fell to his trusted advisers, Messrs. Grande Stevens, Gabetti and Maron. Mr. Agnelli's wife gave her shares to Mr. Elkann, securing his control of the family empire. She also divided up Mr. Agnelli's personal assets with her daughter, Mrs. Agnelli de Pahlen. In 2004, Mrs. Agnelli de Pahlen issued a statement saying she was satisfied with the handling of the inheritance. In 2007, however, she filed a lawsuit seeking a fuller accounting of the estate.

When Mr. Elkann gave a talk to a group of students in Turin late last month, one teacher asked him how he was handling the trial. "This issue is already very public, and I don't won't add another word," Mr. Elkann said, adding: "It pains me."

—Margherita Stancati contributed to this article.

IN DEPTH

Tata chairman doesn't sweat the timing of global expansion

Ratan Tata discusses value of Corus and Jaguar acquisitions, succession and managing company's image abroad

[BOSS TALK]

By Paul Beckett

MUMBAI—During his 18-year tenure as chairman of India's venerable **Tata Group**, 71-year-old Ratan Tata has led a drive to expand internationally, a strategy India's other sprawling companies seek to emulate.

With annual revenue above $70 billion, Tata Group now derives 65% of its sales outside of India and employs 357,000 people world-wide. It has interests in tea, hotels, cars, steel, chemicals and information technology, among others.

But the last two years have been among its rockiest as the company, which was founded in 1868, swallowed two big overseas acquisitions just in time for a global financial crisis.

Tata Steel bought Anglo-Dutch steelmaker Corus in 2007 for $12 billion while Tata Motors Ltd. paid $2.3 billion to buy Jaguar and Land Rover from **Ford Motor** Co. in 2008, two pricey deals that put heat on Mr. Tata, who is a descendant of the conglomerate's founder.

Next week, Mr. Tata will be traveling in the U.S. with Indian Prime Minister Manmohan Singh as part of a business delegation.

In an interview, he talks about the value of the Corus and Jaguar acquisitions, company succession plans for when he retires in three years, the conglomerate model and how Indian companies can manage their image in the U.S. Excerpts:

Dhiraj Singh for The Wall Street Journal

Ratan Tata says acquisitions made before the recession will look worthwhile after the economy recovers.

WSJ: Both the Corus and Jaguar Land Rover deals added a lot of debt to the overall company's picture. Were these purchases worth the financial burden?

Mr. Tata: There were many questions raised regarding whether these two large acquisitions—Corus and JLR—are worthwhile and whether the prices were right in terms of being at the top of the market, virtually. My view on that is that if you want to buy a house and that house is of a particular value, then it may not be there if you wait. On that basis, we bought those two companies. [Corus] gave us presence and scale which it would be difficult to achieve in India over the next eight years. [JLR] gave us international brands which we would have taken many, many years and many billions of dollars to establish in those countries. We have been careful not to try to create a gravy out of this one and sort of merge it with Indian operations. We have brands to nurture and hopefully bring back to their former glory. If we assume that the global meltdown is a phenomenon that will be over in the near term, I think we will look back and say that these are very strategic and worthwhile acquisitions.

WSJ: How has the Tata Group managed through the recession?

Mr. Tata: The main way has been basically to undertake a major cost-cutting and consolidation exercise. Undoubtedly in some of our companies, it has been large borrowings which we had to overcome. But it has also been some divestment of assets and creating liquidity in the companies. For the most part, we have met the targets we set but for some parts we found that it is not possible because the whole economy has been depressed.

WSJ: What would you say that you did particularly well?

Mr. Tata: One company standout is Tata Motors. It was particularly badly hit with its acquisition of Jaguar Land Rover, which was in trouble because of the collapse of the auto industry abroad. Tata Motors was able to extinguish its borrowing of $3 billion through this difficult period, and most people don't realize the magnitude of that task. This was executed very quietly and very successfully. It was achieved by raising new capital and it was achieved by liquidating some of the assets. And it was done by increasing margins by doing away with some loose practices.

WSJ: On the flip side, what do you wish you did better?

Mr. Tata: You know if one looks back, I don't know whether we did anything that we undertook badly. I think we've been hit by the unfortunate juxtaposition of events. We made two very gutsy overseas acquisitions and, unknown to everybody, including the financial sector, we had this financial sector collapse some months later, which I think aggravated the demand situation, aggravated the liquidity situation, aggravated the working capital situation and led to a set of circumstances that no one could have anticipated.

WSJ: What are you doing now to adjust to the economic environment?

Mr. Tata: I believe India and the Western world are emerging from this recession differently. I think India is recovering, there is a robust recovery, there is liquidity in the market, the banks are in very good shape and the demand situation in India has recovered.

To cope with the recovery, we have of course stepped up production to meet the demands that are there. Despite the downturn, we had undertaken fairly ambitious plans of expansion which we are revitalizing. I think in the U.S. there is certainly a flattening out of the freefall and there is a slight recovery. Europe and the U.K. are recovering slower and we will need to see to what extent that recovery is going to be large enough to make a difference.

WSJ: How are you conducting the search for your successor and when do you expect a decision to be made?

Mr. Tata: We are in the process of formalizing a successor to me. We have some outside consultants and a formal search process is on. There are no constraints. We are looking both within the organization and outside. The successor, I would hope, would have integrity and our value systems in the forefront and hopefully would carry on the path that we have tried to set for the company's growth.

I would hope that there would not be a major disagreement in the way that we have operated. Otherwise, we will have some other disruption in what we do.In terms of who that successor might be, it could be he or she, it could be an internal or an external candidate. It would certainly be easier if that candidate were an Indian national. But now that 65% of our revenues come from overseas, it could also be an expatriate sitting in that position with justification now that we are a company that has global reach and global presence.

WSJ: How have you seen the relationship between India and the U.S. developing both on a government-to-government and business-to-business level?

Mr. Tata: The relationship between the U.S. and India in particular, I think, has been growing very steadily and at the present moment we have before us a new administration in the U.S. The last administration was very friendly to India. We have every reason to believe that President Obama's administration will also

embrace India as a friend, politically and strategically.

On the business front, I think most of us are looking forward to closer business ties with the U.S. Bearing in mind that the U.S. is going through a period of stress in terms of employment, etc. we should be sensitive too. In the current context, it's very important that Indian companies manage the perception that they have in U.S. I think we have to understand the U.S. business environment; We should not be aggressive and alien to the kind of pain that is happening . And we should find ways to be complementary to the needs of U.S. companies and not in fact be a pain to them. I believe we still have the cost advantage which we can use to the benefit of U.S. companies without in fact taking jobs away from them. If we can overcome the difficult period that the U.S. is undergoing, I think we can emerge as a very strong business ally of the U.S.

WSJ: In the years to come, do you feel that Indian companies will be viewed in a particular way or differentiated in a particular way from the global competition?

Mr. Tata: I often wonder how Indian companies will be viewed and perceived world-wide. I think what we have to consider as our advantage is the large skill set that we have in India. Indian companies will need to consider whether they can establish themselves in terms of their presence overseas, and not just view India as the only market. Boundaries are becoming global and barriers are coming down.

So while companies overseas visit India, I think Indian companies also need to widen their horizons. It can come from acquisitions, it can come from expansion overseas. This has been in a nascent stage. I think now there needs to be a next stage —the consolidation of Indian activity and overseas activities into one merged activity, where management is in fact consolidated in one place. It is still somewhat separated overseas and in India.

WSJ: If you could change one thing about the India business environment, what would it be?

Mr. Tata: I often feel that we have many policies in place which are fundamentally OK. What we don't have in India and what makes many of the policies ineffective is that We are very poor in enforcement of policies. With enforcement I do not mean selective enforcement based on whom you know and how powerful you are but enforcement that applies equally to everyone, whether you are a mere citizen or a powerful politician or industrialist.

WSJ: Does the conglomerate model still work for India?

Mr. Tata: The conglomerate model has been carried forward from pre-independence days and post-independence days during the protected environment. It has fallen apart elsewhere in the world. The conglomerates in the U.S. were very big and effective at one time but I believe they have all been disbanded. I believe in India, the situation is different. We went through an exercise of trying to focus ourselves into core businesses and shed many less relevant activities that we had and then hit a stone wall, a stone wall of employees objecting who considered themselves as lifetime employees of Tata's. And the general public was aghast at what we were trying to do. We have slowed down on that because the disruption was quite substantial. We have divested few of the activities as it had a great deal of sensitivity. I believe the conglomerate kind of model has existed to some extent in Japan and of course in Korea and it works well there. I think in the Indian context it will probably continue to work reasonably well.

WSJ: How have you seen the perception of your company changing as you have become more global?

Mr. Tata: I think as we have gone overseas and looked at global markets, we at the Tata Group have had to change. We had to move from being Indian-centric and being sensitive to what global markets want, to what our target markets want and see how we can meet that. We have a mixed bag.

We have products that are marketed in certain countries where we have to be good corporate citizens and promote our brand and we have acquisitions which have had brands of their own and we have had to be sensitive to retain those brands, retain the company's independence, retain its local nationality, and not be seen storming in and trying to make it an Indian company.

So it's really a question of being accepted in the place where you operate. I think we have been doing that in India with our corporate social responsibility initiative — as yet we have done little of that overseas. As we go on, we will see more and more as we go forward.

WSJ: Do you think India should position itself as a manufacturing hub that ultimately will rival China?

Mr. Tata: I don't think India would be, or should look at itself as, a country that is going to wipe out China as a source. China is a very formidable force and very efficient source of manufacturing. I think India has great things to learn from China. I think China will change and China will be moving up the value chain more than it has and India will have the opportunity to fill that place.

WSJ: How do you feel you have been accepted at Jaguar Land Rover?

Mr. Tata: There was a process in which we were selected—presumably we had the buy-in of the union and workers. I think we were generally well accepted. The only area I think where we had some explaining to do or clarifying to do was the apprehensions that we would move manufacturing facilities to India and that was easy to put to rest as that was never our intention. Once that was addressed, I must say that from the workforce there was tremendous co-operation.

WSJ: What did you learn from your experience in Singur, where plans for the Nano plant were abandoned amid opposition?

Mr. Tata: When we went to Singur, where we had a Tata Motors plant, we clearly told them our aim was to industrialize West Bengal. But we had political turmoil which we had not anticipated. Now looking back I can only say that it is very unfortunate but we are better off being away from that scene than being in it, where there is an alien view of industrial development. Unfortunately I think this is spreading beyond West Bengal to the other parts of India where land is required. The government will need to come to terms with finding the acceptable way to fairly and justly monetize the farmer for his land in favor of industrialization or we basically remain an agricultural country where industrialization takes second place.

WSJ: How are things going in Gujarat, where the Nano minicar is now being produced? You already had some small issues with the steering column. Are there any other manufacturing problems that have come to light?

Mr. Tata: The new plant that we have for the Nano in Gujarat is going very well and we hope it will be operational in January 2010. The issue will be how fast we ramp up to its full capacity but that will not only depend on us but also depend upon our vendors ramping up. We have been very fortunate to move to an environment which has been very positive and very supportive of what we have been doing. There have been little pockets of opportunistic opposition but they have been taken care of by the state government very efficiently. We have delivered orders from interim and temporary locations, I think about 20,000 Nanos so far.

We had just one single problem of a particular vendor's turn-signal indicator that was rubbing against metal where the wire burnt and there was a smoke. We have dealt with that and we have changed the vendor and we have redesigned that part. In fact, we are replacing that in all our cars.

WSJ: How big a brand in India can Jaguar Land Rover be compared to rivals like BMW and Mercedes?

Mr. Tata: If we want to compare JLR in India with other established brands like Mercedes or BMW, I think you have to consider apples to apples. JLR would have to be assembled in India like other brands are established in India. India has been an ignored territory for the JLR brand.

We have one retail outlet in the country and it is just imports against orders. It will never be the same until we look at another phase where there would be assembly in India which in turn will only depend upon the interest level and the ability of JLR to make that commitment to invest in India. I think JLR should at the present moment continue to just look at importing to India and look at improving and securing its position in the territories in which it is strong.

A look at Tata Group

Tata Group

The Tata Nano is priced as low as $2,200

MARCH 2008
$59 BILLION

NOVEMBER 2009
$62 BILLION

Total market value

Ratan Tata

- Age: 71
- Designed his own beach house
- An avid aviator
- Favorite accessory: Titan watches

Snapshot of the Chairman

Associated Press

Mr. Tata says Tata Motors has successfully navigated in the recession. Above, the chairman with the Indigo Manza sedan in Mumbai, last month.

FROM PAGE ONE

MUFG, Morgan Stanley scale back venture plan

Continued from first page
not need its new Japanese ally as much.

Under the original plan, Morgan Stanley and MUFG had agreed to merge all of their Japanese securities operations. Under the new terms, they will remain two separate entities and the merger will be delayed until May instead of the end of March.

The first entity, Mitsubishi UFJ Morgan Stanley Securities Co., is expected to include the wholesale and retail businesses of MUFG's Mitsubishi UFJ Securities Co. and about 100 of Morgan Stanley's investment bankers. The second entity, Morgan Stanley MUFG Securities Co., is intended to include the sales, trading and underwriting businesses of Morgan Stanley in Japan. It isn't clear whether MUFG will contribute any employees to that venture beyond some high-level managers.

MUFG's investment in Morgan Stanley has been financially rewarding. The Japanese bank said it received dividends of about 40 billion yen from its preferred shares. MUFG's economic interest in the joint venture will remain the same after the tweaking of the structure, at 60% of net profits. However its voting rights in Morgan Stanley MUFG Securities will be lowered to 49% from the original 60%.

The two joint-venture companies will collaborate in a number of business and product areas, including offering Morgan Stanley's global products and services to retail and middle market customers in Japan.

Bloomberg News

MUFG CEO Nobuo Kuroyanagi, speaking in Tokyo, cited several hurdles to the orginal joint-venture plan with Morgan Stanley.

Executives at both companies said they revamped the structure of the alliance to satisfy regulators. The U.S. Federal Reserve prefers that responsibility for the operations of such a systemically important company as Morgan Stanley to be in U.S. hands, said one person familiar with the matter. But MUFG officials also stressed the cost and time involved in making the original plan work would have been too heavy a burden.

"There were several hurdles to clear," MUFG President Nobuo Kuroyanagi said at a news conference, noting the differences between the securities companies' risk-management, compliance and computer systems.

The executives underscored that the goal of the alliance remains to create a strong securities joint venture in Japan, and that the relationship between the parent companies remained solid.

"The two companies will be the two pillars of the overall joint venture operations between Morgan Stanley and MUFG in Japan," Jonathan Kindred, president of Morgan Stanley Japan Securities Co., Ltd., said in an interview.

Separately, MUFG said it plans to bolster its capital base by issuing one trillion yen of new shares.

In the aftermath of the financial crisis, regulators globally have been pushing banks to increase the capital they hold against their assets. Over the past year, Japanese banks and brokers have raised more than $20 billion from new share issues. Even after issuing common shares earlier this year, major banks such as Mizuho Financial Group Inc. and Sumitomo Mitsui Financial Group Inc. will likely be forced to raise even more.

The scramble for capital also reflects the fact that Japan's banks have relatively lower core Tier 1 capital ratios, which measure a bank's financial strength, than their Western peers. Not clearly defined, core Tier 1 capital usually refers to common stock and retained earnings, excluding preferred shares, preferred subscription securities and deferred tax assets.

Separately, MUFG kept its forecast of net profit for the full fiscal year ending March unchanged at 300 billion yen. The bank said six-month group net profit rose to 140.95 billion yen from 92.02 billion yen a year earlier, as it made 42 billion yen in trading gains. Group operating revenue declined 11% to 2.618 trillion yen from 2.925 trillion yen.

Maxis initial offering to fund Indian telecom expansion

Continued from first page
Maxis said it would deliver 75% of its net profit in Malaysia to shareholders as dividends in order to help support the parent company's expansion in India and Indonesia. That will likely translate into a useful dollop of cash for Mr. Krishnan, whose company will still own 70% of Maxis after the IPO, in addition to the $3.32 billion that the issue raised.

Equity analysts also are confident that the Maxis shares will debut strongly on the Bursa Malaysia on Thursday, with OSK Research Sdn. Bhd.'s Jeffrey Tan suggesting a fair value of 5.80 ringgit ($1.72) for the shares, the bulk of which were sold to institutional investors at five ringgit each.

Mr. Krishnan is perhaps best known for helping Sir Bob Geldof arrange the 1985 Live Aid concert and for putting together the project that led to the Petronas Towers.

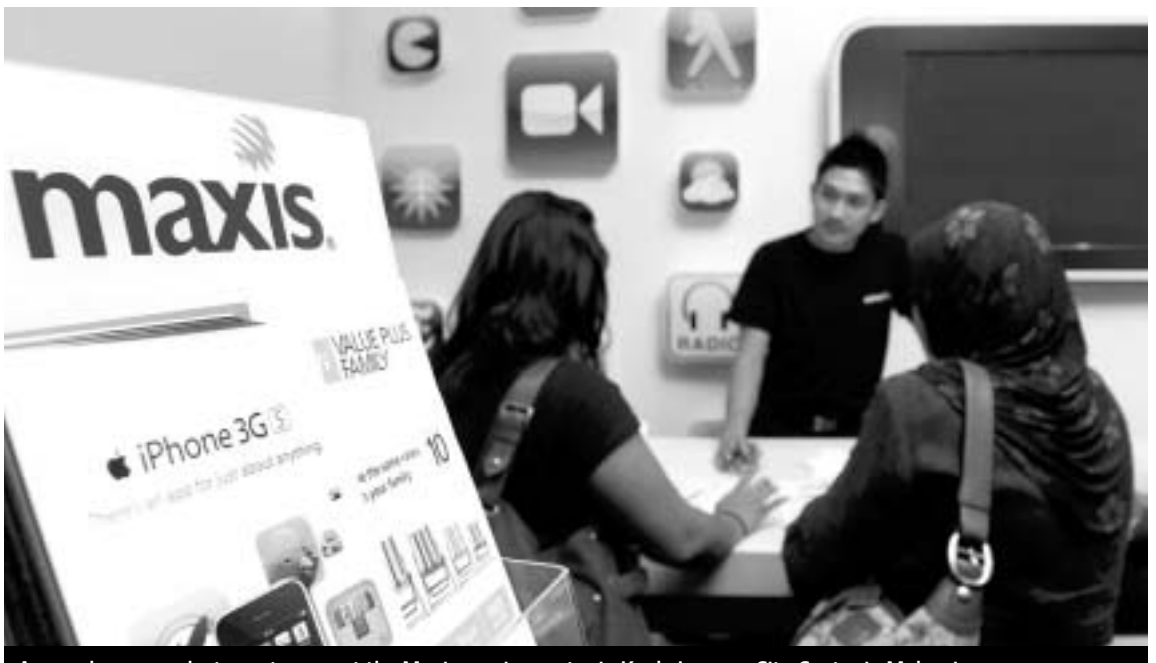
Over the past two years, unlisted Aircel has posted strong subscriber growth in India. It added 6.5 million subscribers in 2008 and added an additional seven million so far this year to bring its total up to 25 million. The total number of subscribers in the Indian market could double by 2012 to 800 million, Macquarie Securities forecasts. The company operates in 18 of India's 22 service areas, including Mumbai and New Delhi.

It's an expensive business, though. Many service providers in India now bill customers by the second, resulting in some of the lowest service charges in the world, at around 1.3 U.S. cents a minute. Market leader **Bharti Airtel** Ltd. saw its profit rise a worse-than-expected 13% in its fiscal second quarter ended Sept. 30 to 23.21 billion rupees ($502 million), blaming tough competition for weaker results. No. 2 **Reliance Communications** Ltd. reported a 52% decline for its fiscal second quarter, also citing stiff competition in the sector.

Still, Mr. Krishnan, 71 years old, is patient, people who know him say. Born in Kuala Lumpur to a Sri Lankan family, Mr. Krishnan is a compulsive networker who diligently gathers information about his prospective deals, some of which take years to finalize, people familiar with his way of doing things say. He rarely surfaces in public view; he is perhaps best known for helping Sir Bob Geldof arrange the 1985 Live Aid charity concert and putting together the Kuala Lumpur property development project that gave birth to the city's iconic Petronas twin towers, which for a while were the tallest buildings in the world.

He has previously told reporters that he thinks decades ahead, and last year launched an Indonesian cellphone service with **Saudi Telecom** Co. to complement his cable television and satellite services.

If Mr. Krishnan has deep enough pockets to stick out the current period of hyper-competition in the Indian cellular industry he could emerge in a stronger position. Bharti Airtel's chief executive Manoj Kohli told reporters earlier this month that he expects the price war to end soon.



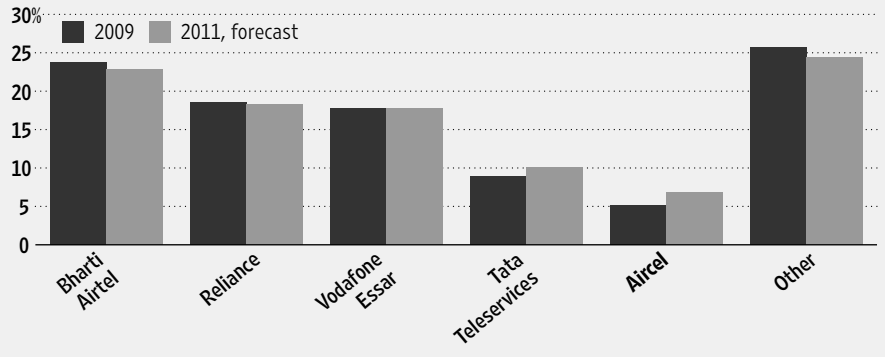
An employee speaks to customers at the Maxis service center in Kuala Lumpur City Centre in Malaysia.

Dialing India

Malaysia's Maxis IPO could lift India contender Aircel

Market share of India's telecom companies by wireless subscribers as of September 2009

Sources: Telecom Regulatory Authority of India, Macquarie Research; Bloomberg News (photo)



"New operators and present loss-making operators may not be able to continue," he said at a World Economic Forum event in New Delhi on Nov. 9.

That could help nudge up Aircel's share of the market, which now stands at 5.2%, compared with Bharti Airtel's 24% and Reliance's 19%.

Daimler gets the right formula for auto-racing team
MARKETS 40

U.S. report rebuts Goldman's claim on AIG
MARKETS 31

BUSINESS & FINANCE.

Thursday, November 19, 2009 THE WALL STREET JOURNAL. asia.WSJ.com

Hopes rise for bidding war over Cadbury

Hershey explores financing, considers joining with Italy's Ferrero to contest Kraft's $16 billion offer

By Michael Carolan

Hopes of a bidding war breaking out for **Cadbury** PLC rose, pushing up the company's shares, after U.S. rival **Hershey** Co. and Italian-based **Ferrero** SpA said they might bid for the U.K. confectioner.

Cadbury said Wednesday it would consider any takeover bid "that delivers full value for the company" but has yet to receive one and instead is focused on delivering value as a stand-alone company.

The Pennsylvania maker of Hershey bars and Reese's Peanut Butter Cups said it was "reviewing its options," regarding Cadbury. Ferrero said it is in the "preliminary stages" of evaluating its options.

Hershey and Ferrero, the maker of Tic-Tacs, Nutella hazelnut spread and Ferrero Rocher chocolates, said separately Wednesday that there was no certainty that any proposal would be forthcoming.

Reuters

Candy bars

Global confectionery market share by retail sales, in billions

Mars	$24.2
Cadbury	**17.0**
Nestlé	13.1
Kraft Foods	**7.9**
Hershey	**7.6**
Ferrero	**7.5**
Perfetti Van Melle	4.9
Lindt & Sprüngli	3.3
Lotte Group	2.6
Storck	2.3

Source: Euromonitor International

◀ Ferrero started as a pastry-maker in Italy's hazelnut-rich northern Piedmont region after World War II

Hershey is in talks with banks to line up billions of dollars of financing and is considering either a bid on its own or with a partner such as Ferrero, people familiar with the matter said.

Kraft, of Northfield, Ill., on Nov. 9 formally offered to purchase Cadbury for about $16 billion. The maker of Oreo cookies and DiGiorno pizza may have opened the door to competitors by essentially maintaining the offer price it proposed Sept. 7 when it first announced its intention to buy Cadbury. Cadbury rejected that offer as "derisory."

"Our offer is fair and attractive. And we remain confident we're the best, most logical partner," Kraft spokesman Michael Mitchell said Tuesday.

The news of a possible rival Hershey-Ferrero bid helped push Cadbury shares up 1.5%, reaching 800 pence ($13.45) for the first time since Oct. 21. That puts Cadbury's stock about 10% above Kraft's cash-and-share offer. Analysts had begun to write off the chances of a bidding war for Cadbury as Hershey was seen as too small to act alone and Nestlé SA had seemed uninterested.

Please turn to page 27

Delta, SkyTeam offer a funding deal to JAL

By Doug Cameron
And Yoshio Takahashi

Delta Air Lines Inc. and its SkyTeam alliance partners said that they would provide a $1.02 billion funding package to ailing carrier **Japan Airlines** Corp. in their first public effort to wrestle JAL from the rival Oneworld alliance.

The proposal by Delta and SkyTeam includes a $500 million equity injection from SkyTeam, a $300 million revenue guarantee from Delta and a further $200 million in asset-backed funding, as well as $20 million or more in transition costs for the switch.

The Delta proposal would challenge a plan that **AMR** Corp.'s American Airlines, a member of the Oneworld alliance, is working on. American has teamed up with private-equity firm TPG to develop an alternative funding plan for JAL.

In presentations to JAL managers and government officials, American has said Oneworld was the better partner and that a switch to the Delta alliance would cost JAL more than $500 million in lost revenue. The carrier also said JAL could gain an extra $100 million in annual benefits if the airlines secured antitrust immunity to deepen their existing pact. American said it could secure immunity as early as mid-2010, though such a timetable looks optimistic as the U.S. and Japan would first have to reach an open-skies aviation pact.

The new package didn't help dispel investors' worries about JAL's fate. On the Tokyo stock exchange, JAL shares ended down 3.9% to 98 yen ($1.10), after setting a fresh all-time low of 94 yen in the morning session, following reports that Japan's transport minister hasn't ruled out the possibility of JAL's legal liquidation.

Delta President Edward Bastian said at a briefing in Tokyo Wednesday that he believes that the bigger economies of scale provided by SkyTeam would bring greater benefits to the struggling Japan carrier.

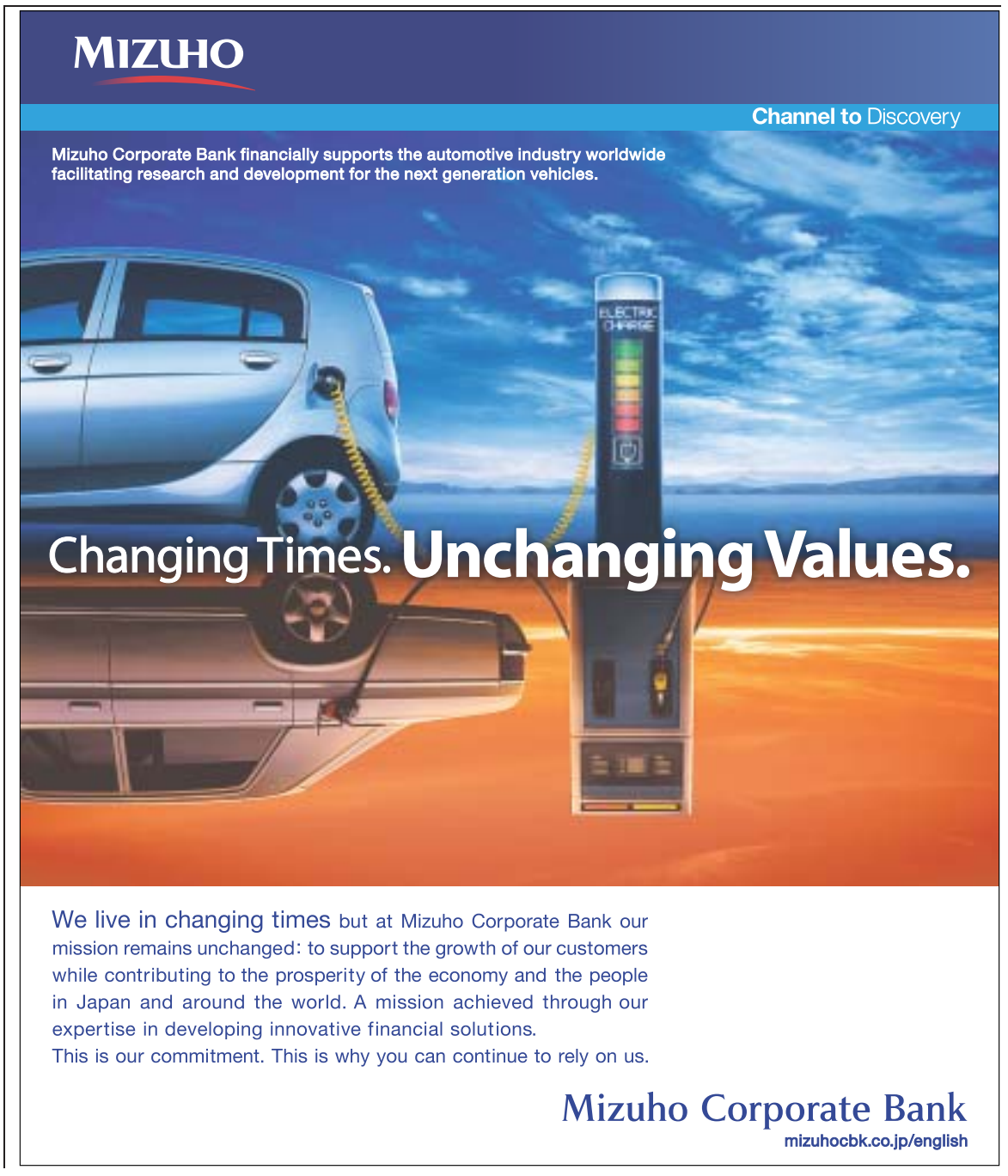
"It's clear that SkyTeam is by far the strongest partner for Japan Airlines and the best ally to ensure JAL's growth and stability in the decades to come," he said.

Mr. Bastian said that Delta carries 3.7 million customers a year from the U.S. to Japan, more than five times the 700,000 customers that American Airlines does. In addition, he said SkyTeam, whose members include **Air France-KLM** and **Alitalia**, serves 1.3 million customers a year from Europe to Japan, triple the 430,000 carried by Oneworld.

He said JAL's annual revenue would grow by $400 million if the Japanese carrier joins SkyTeam.

American and Delta started talks with JAL earlier this year on partnerships, and initial discussions focused on whether the U.S. carriers would inject as much as $500 million into the Japanese airline.

JAL has sought aid from the Japanese government even as it cut routes and jobs while struggling with an inefficient network and the burden of its debt load and pension deficit.


MIZUHO
Channel to Discovery
Mizuho Corporate Bank financially supports the automotive industry worldwide facilitating research and development for the next generation vehicles.
ELECTRIC CHARGE
Changing Times. Unchanging Values.
We live in changing times but at Mizuho Corporate Bank our mission remains unchanged: to support the growth of our customers while contributing to the prosperity of the economy and the people in Japan and around the world. A mission achieved through our expertise in developing innovative financial solutions.
This is our commitment. This is why you can continue to rely on us.
Mizuho Corporate Bank
mizuhocbk.co.jp/english

Nissan's Ghosn embraces push to go green

Auto maker concentrates on markets where governments offer incentives for electric vehicles

By Joseph B. White

Soon after Carlos Ghosn took over as chief executive officer of **Nissan Motor** Corp., he took a gamble by building a factory in Mississippi to produce big pickup trucks and sport utility vehicles.

Now, a decade later, he's steering in the opposite direction, ramping up production of small electric cars.

Mr. Ghosn appeared in Washington on Monday, along with FedEx Corp. Chairman Fred Smith and other CEOs banded together as the Electrification Coalition, to call on the government to adopt policies that would help put millions of all-electric or partially electric vehicles on the roads.

By 2040, 75% of the driving done in the U.S. should be done using electric power instead of petroleum combustion, the group said.

Mr. Ghosn, chief executive of both Nissan and its French alliance partner, Renault SA, says in an interview the companies will launch four electric vehicles globally, with three of them coming to the U.S., including the Nissan Leaf compact, a light commercial vehicle suitable for use by companies such as FedEx, and eventually an electric car to be marketed under the Infiniti luxury brand.

"Our forecast is that sales of electric vehicles will be 10% of the total market...by 2020," he says.

Once again, Mr. Ghosn is responding to demand.

The difference is that when he invested in big SUVs and pickups for the U.S. market, he was following consumers—in fact, Nissan was playing catch-up in segments Detroit's auto makers had pioneered and prospered from through much of the 1990s.

This time, Mr. Ghosn is responding to a market created and sustained in large measure by government policy.

In Western Europe, Japan and the U.S., leaders concerned about the effects of automotive emissions on the global climate, and uneasy about the volatility of the price of oil, are offering billions to consumers and manufacturers to spur demand for electric vehicles.

They're throwing in regulatory favors for the manufacturers, as well. Nissan and Renault are determined to get a piece of that action.

In the U.S., the government is offering $7,500 tax credits to buyers of electric vehicles, and is spreading around billions in loans and stimulus program grants to launch electric-vehicle production.

Nissan got approved for a $1.6 billion loan from the U.S. Department of Energy to retool part of its Smyrna, Tenn., factory complex to build electric cars.

The company will also get a boost from a $100 million Energy Department loan to **ECOTotality** Inc., an Arizona company that plans to develop the charging stations and related hardware to support a fleet of 4,700 Nissan Leaf electric cars.

Government policy is critical to these investments.

"We aren't putting electric cars in markets where they don't have an incentive for consumers" to buy them, Mr. Ghosn says. That means an electric Nissan for China will have to wait, even though China could be Nissan's largest market by 2011 or 2012, he says.

The risks associated with a market created by government policy are many.

Tax breaks and loans for electric vehicles are here today, but they could be gone tomorrow if cutting the deficit becomes a more important priority than subsidizing the car business.

President Barack Obama and some Democratic leaders in Congress favor strong action to curtail consumption of fossil fuels as part of a strategy to cut U.S. emissions of carbon dioxide and other gases linked to climate change. Caps on U.S. greenhouse-gas emissions could boost electric-vehicle demand in the long term.

But it appears unlikely that Congress will soon enact a strong climate bill that would raise the cost of gasoline enough to cause a consumer stampede toward fuel-efficient alternatives, cars that often cost more.

At a global level, a United Nations climate summit in Copenhagen next month probably won't produce a new binding global agreement to cap greenhouse gas emissions.

"You're disappointed if you had any expectations" for Copenhagen, Mr. Ghosn says. But businesses will need clarity as to what the rules will be. "What we'd like is something to be set," he says.

Mass acceptance of electric vehicles will also require a big change in consumer attitudes toward cars—attitudes the auto industry has spent decades inculcating through advertising and product design.

In the U.S., drivers like versatile, low-maintenance vehicles that can travel 500 to 600 kilometers or more between refueling stops. Even with improved battery technology, electric vehicles offer a quarter to a half that range.

A report released Monday by the Electrification Coalition mapped out the problem.

People in the average household take about six trips in their car a day, to work or someplace else. Those trips average just under 15 kilometers each.

Nearly any conventional gasoline-fueled vehicle that starts a day with a full tank can easily manage that without another refueling stop.

But electric vehicles don't have the same margin for error—especially since there are, by the coalition's count, just 1,000 public electric-vehicle recharging stations available.

As the coalition study notes, "a profitable business model for public charging infrastructure has not been reliably demonstrated." That's why the coalition calls for tax credits equal to 75% of the cost of installing charging stations.

Mr. Ghosn isn't betting the company solely on electric cars. Nissan and Renault are focused on the opportunities to put huge populations on wheels in China and India.

And for now, electric vehicles will be additions to Renault and Nissan's lineups, Mr. Ghosn says, not substitutes for mainstream vehicle models.

"Electric cars will move up slowly," he says. "It's not taking the market by storm."

Associated Press

Nissan Chief Executive Carlos Ghosn says electric cars such as the auto maker's coming Leaf, above, need government assistance such as tax breaks to take off. That means an electric Nissan for China will have to wait.

Mass acceptance of electric vehicles will require a change in consumer attitudes, which the auto industry has spent decades inculcating through advertising and product design.

INDEX TO BUSINESSES AND PEOPLE

Businesses

This index of businesses mentioned in today's issue of The Wall Street Journal is intended to include all significant reference to companies. First reference to the companies appears in bold face type in all articles except those on page one and the editorial pages.

Aabar Investments.....40
Advanced Micro Devices.....28
AES.....8
Air France-KLM.....25
Alitalia.....25
American Airlines.....25
American Electric Power.....8
American International Group.....31
AMP.....30
Autodesk.....35
Avenue Capital Group..27
AXA Asia Pacific Holdings.....30
AXA.....30
Bank Audi Syria.....10
BHP Billiton.....6
BMW.....40
BOC International Holdings.....33
Cadbury.....
Checkpoint Systems.....34
Chevron.....6
China Metal Recycling (Holdings).....33
China Mobile.....
China Power Investment.....8
Citic Group.....33
Citic Pacific.....33
Citic Securities International.....33
Citigroup.....35
Comcast.....29
Daewoo Securities.....35
Daimler.....40
Dell.....28
Deloitte Touche Tohmatsu.....33
Delta Air Lines.....25
Deutsche Bank.....34
Duke Energy.....8
ECOTotality.....26
Evergrande Real Estate Group.....33
ExxonMobil.....6
Fantasia Holdings Group 33
Ferrero.....
Fiat.....20,40
First Solar.....8
Fonterra Cooperative Group.....29
Fortinet.....34
France Telecom.....28
General Electric.....8,29
Goldman Sachs Group.....
GOME Electrical Appliances Holdings..27
Google.....28
Hershey.....
Hewlett-Packard.....35
Honda Motor.....40
Intel.....28
JAL.....
JPMorgan Chase &.....34
Kaisa Group Holdings...33
KB Financial.....35
KB Home.....35
Kohlberg Kravis Roberts.....13
Kraft Foods.....27
Maxis.....1
McAfee.....34
Mitsubishi UFJ.....1,40
Mizuho Financial Group.....40
Morgan Stanley.....1,34
New World Development.....35
Nissan Motor.....26
Procter & Gamble.....28
Progress Energy.....8
Pulte Homes.....35
Renault.....40
Royal Dutch Shell.....6
Salesforce.com.....35
Samsung Securities.....35
San Miguel.....6
Sara Lee.....28
SC Johnson & Son.....28
Seedco Financial Services 31
Standard Bank Group...26
Starbucks.....35
Sumitomo Mitsui Financial Group.....40
Sun Hung Kai Properties.....35
Target.....35
Tata Group.....22
Telefonica.....28
Tokyo Tatemono.....35
Toll Brothers.....35
Toyota Motor.....40
Unilever.....28
Vivendi.....29
Vodafone Group.....28
Walt Disney.....35
Woodside Petroleum.....6
ZTE.....28

People

This index lists the names of business-people and government regulators who receive significant mention in Today's Journal.

Allert, Rick.....30
Amit, Raphael.....27
Bae, Joseph.....13
Barnes, Brenda.....28
Bastian, Edward.....25
Berta, Giuseppe.....21
Blankfein, Lloyd.....31
Buffett, Warren.....31
Camia, Massimo.....13
Cates, Staley.....13
Chen Xiao.....27
Davis, Christopher.....13
Diamandouros, P Nikiforos.....28
Dunn, Craig.....30
Fan, Henry.....33
Ferrero, Giovanni.....27
Ferrero, Pietro.....27
Fitzpatrick, Tom.....35
Ghosn, Carlos.....26
Gibbons, Raymond.....16
Greenhaus, Dan.....8
Hamwi, Bassel.....10
Ho, Stanley.....13
Inaizumi, Takero.....35
Jennings, Peter.....34,35
Johnson, Bill.....8
Kei, Lam Po.....33
Kindred, Jonathan.....1
Klein, Gary.....13
Kloppers, Marius.....6
Kroes, Neelie.....28
Krishnan, T. Aranda.....1
Kuroyanagi, Nobuo.....1
Langford, Alan.....6
Leuer, Stephen.....35
Levin, Josh.....35
Lilienfeld, Scott.....13
Marchionne, Sergio.....21
Mauboussin, Michael...13
McDonald, Robert.....28
Neale, Andrew.....35
Penn, Andrew.....30
Porter, Michael.....31
Sheales, Terry.....6
Smith, Fred.....26
Soti, Lafitani.....30
Thomas, Gregory.....16
Thompson, Randall.....16
van der Heyden, Henry 29
West, David.....27
Whitehead, Colin.....30
Wong, Carson.....34,35
Wong Hok Leung.....33
Yamashita, Makoto.....34
Ying, Dale.....28
Yung, Larry.....33
Zhang Jijing.....33
Chang Zhenming.....33

Corrections & Amplifications

Craig Bond is chief executive of the China operations of **Standard Bank Group** Ltd. A photo caption that accompanied a Corporate News article Wednesday incorrectly called the company Standard Life.

GOME's earnings drop 39%

Chinese electronics retailer expects its sales to improve

By Jackie Cheung

HONG KONG—**GOME Electrical Appliances Holdings** Ltd., China's largest electronics retailer by revenue, Wednesday said its January-September net profit fell 39%, though sales started to improve as the financial crisis eased.

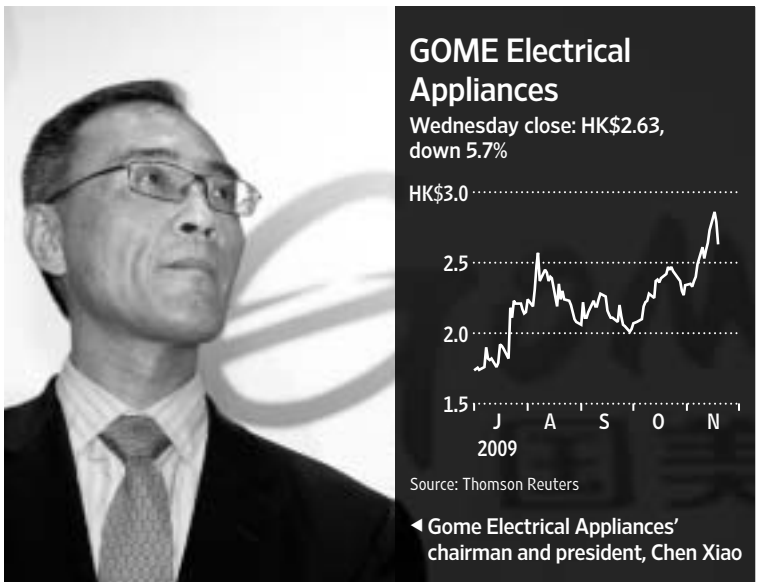
The Hong Kong-listed company said its net profit for the nine months ended Sept. 30 totaled 964.6 million yuan (US$141.3 million), down from 1.59 billion yuan a year earlier.

Revenue fell 14% to 31.43 billion yuan from 36.4 billion yuan.

However, the company said sales have improved recently. Sales at stores open at least a year, known as same-store sales, rose 2.1% in the third quarter after an 8.3% decline in the second quarter.

Chen Xiao, chairman of GOME, told reporters during a conference call that he expects a double-digit percentage rise in same-store sales in the fourth quarter.

GOME, which is based in Beijing and operates under two major brands, GOME Appliances and China Paradise, closed 158 stores and opened 41 stores in the year's first nine months, cutting the company's total number of stores to 772. The retailer plans to close 13 stores in the fourth quarter.



Associated Press

◀ Gome Electrical Appliances' chairman and president, Chen Xiao

Mr. Chen expects GOME's same-store sales and number of stores to increase next year, boosting the company's revenue.

GOME said it shifted its operational focus from increasing revenue to making individual stores more profitable after Bain Capital LLC invested in GOME's operations.

In August, GOME completed a deal in which it raised HK$2.95 billion (US$380.6 million) from a convertible-bond issue to Bain and an offering of new shares, giving the private-equity firm the equivalent of a 10% stake in the retailer.

Ferrero risks shedding veil of secrecy

Hopes rise that bidding war will develop over Cadbury

By Stacy Meichtry

ROME—In weighing a potential bid for **Cadbury** PLC, **Ferrero** SpA has thrown itself into a high-profile international bidding war that could rattle the secretive management style that has guided the company for more than a half a century.

Ferrero on Wednesday said it had entered the "preliminary stages" of planning a rival bid to **Kraft Foods** Inc's $16 billion offer for British candy maker Cadbury. If the relatively small Italian chocolate company moves forward, Ferrero and the brothers who run it—Pietro and Giovanni Ferrero—could quickly find themselves under unprecedented market scrutiny.

"They will have to disclose their balance sheet and [give] projections so that banks can do computation....That's wide exposure for a closely held firm," said Raphael Amit, a professor of management the University of Pennsylvania and chairman of the Wharton Global Family Alliance forum.

Over the decades, Ferrero has garnered a reputation for secrecy, a tradition that allowed its founder Pietro Ferrero to protect his business know-how from rivals.

Working out of a small pastry shop in the northern Italian town of Alba after World War II, Pietro Ferrero began experimenting with new ingredients for chocolate-like sweets, because cocoa was in short supply. He settled on *pasta gianduja*—a butter-like paste that combined hazelnuts with cocoa butter and vegetable oil. The recipe, which formed the basis of what became known as Nutella, was kept a family secret. As demand for the paste took off, the family decided not to rely on wholesalers who traditionally distributed confections and instead rolled out its own fleet of trucks, emblazoned with a Ferrero logo, that delivered the paste directly to shopkeepers.

As demand for its hazlenut paste took off, Ferrero avoided distributors in favor of its own truck fleet.

In the 1960s Mr. Ferrero's son, Michele, took over the family business and quickly expanded it into foreign markets, opening subsidiaries and factories across Europe. The company shunned acquisitions and instead broke into foreign markets by introducing new products catered to local tastes. Nutella was marketed in France as La Tartinoise. Facing stiff competition from peanut-butter makers in North America, Ferrero carved out a niche in the U.S. by introducing Tic Tac mints. Kinder Surprise—hollowed chocolate eggs embedded with toy figurines—were rolled out across Europe in 1989. Since the 1990s the group has focused on expanding into Eastern Europe and Russia.

Ferrero on Wednesday didn't specify whether if it was in talks with **Hershey** Co. regarding Cadbury. Hershey Chief Executive David West has spoken with Ferrero bankers in recent weeks about teaming up to buy Cadbury, according to a person familiar with the matter. Ferrero in its statement Wednesday said "there can be no certainty that any proposal relating to Cadbury will ultimately be forthcoming."

Continued from page 25

"We have always said that we would give proper consideration to any serious offer that delivers full value for the company," a Cadbury spokesman said Wednesday. "Unless and until we find ourselves in that situation we have nothing to comment upon."

Cadbury in the past has looked into a possible merger with Hershey, only for the idea to be nixed by the Hershey Trust, a charitable organization that controls the Pennsylvania chocolate company.

Hershey would struggle to buy Cadbury on its own but could do so with help from Ferrero, while insuring the Hershey Trust doesn't lose overall control of the company.

For Ferrero, Cadbury would offer a potentially sweet platform in the chocolate-loving British market. Compared with Kraft, the family-owned Ferrero is small, with annual sales of $9 billion to Kraft's $42 billion. Ferrero's brands are popular around the world, while Ferrero's sales are concentrated in Germany, Italy and France. A link-up with Hershey and Cadbury could expand Ferrero's reach.

For Hershey, combining with Cadbury could help substantially build sales outside North America and give the company access to faster-growing gum and candy markets. About 85% of Hershey's $5.1 billion in annual sales are in the slow-growing U.S. confectionery market.

Hershey has boosted sales lately with price increases of about 10% but has seen its shipment volume fall as customers consume less.

Tapping into Cadbury's well-established networks in emerging markets such as India and Latin America could help Hershey drive growth by selling to the faster-growing populations in those countries. The companies also share a close familiarity because Hershey holds the license to make and sell Cadbury chocolate brands in the U.S.

Trump won't control Atlantic City casinos

By Christina S.N. Lewis

Donald Trump, whose name is synonymous with Atlantic City gambling, abandoned his bid to regain control of the three New Jersey casinos that bear his name.

He and his daughter Ivanka Trump reached a settlement with a group of creditors they were battling for control of Trump Entertainment Resorts, which filed for bankruptcy protection in February. Under the deal, the Trumps will drop a $116 million bid for the casinos they had been making with Beal Bank, the company's largest secured lender.

The noteholders' reorganization plan will need to be approved by the bankruptcy court. A confirmation hearing is scheduled for January.

The Trump Organization, the family's closely held company, could receive as much as a 10% stake in the reorganized company. In addition, the three Atlantic City casinos—the Trump Taj Mahal, Trump Plaza and Trump Marina—would continue to use the Trump name and the likenesses of Mr. Trump and his daughter in marketing efforts. And Mr. Trump would have the right to use his name in gaming operations outside the region that surrounds Atlantic City.

"This prolonged and continued litigation and the associated cost to the estate would mean that whoever won under their plan would ultimately lose," Mr. Trump said in a statement.

The deal further marginalizes Mr. Trump in the Atlantic City gaming business he helped build and that played a major role in his leap from a New York City real-estate developer to global personality, entrepreneur and media star. He stepped down as chairman in February just before the bankruptcy filing.

Mr. Trump began developing casinos in the 1980s. This is the third time they were forced to seek bankruptcy protection.

The deal is also a disappointment for Ms. Trump, 28 years old, Mr. Trump's oldest daughter. She was on the company's board until February, and she was involved in the negotiations with creditors and attended hearings in bankruptcy court in New Jersey.

The deal comes as Atlantic City's gaming industry is in decline because of the recession. Delaware and Pennsylvania have plans to offer table games in addition to slot machines. Pennsylvania's slot parlor revenue jumped 32% from a year earlier to $177.1 million in October, while Atlantic City's fell by 6.5% to $323.8 million.

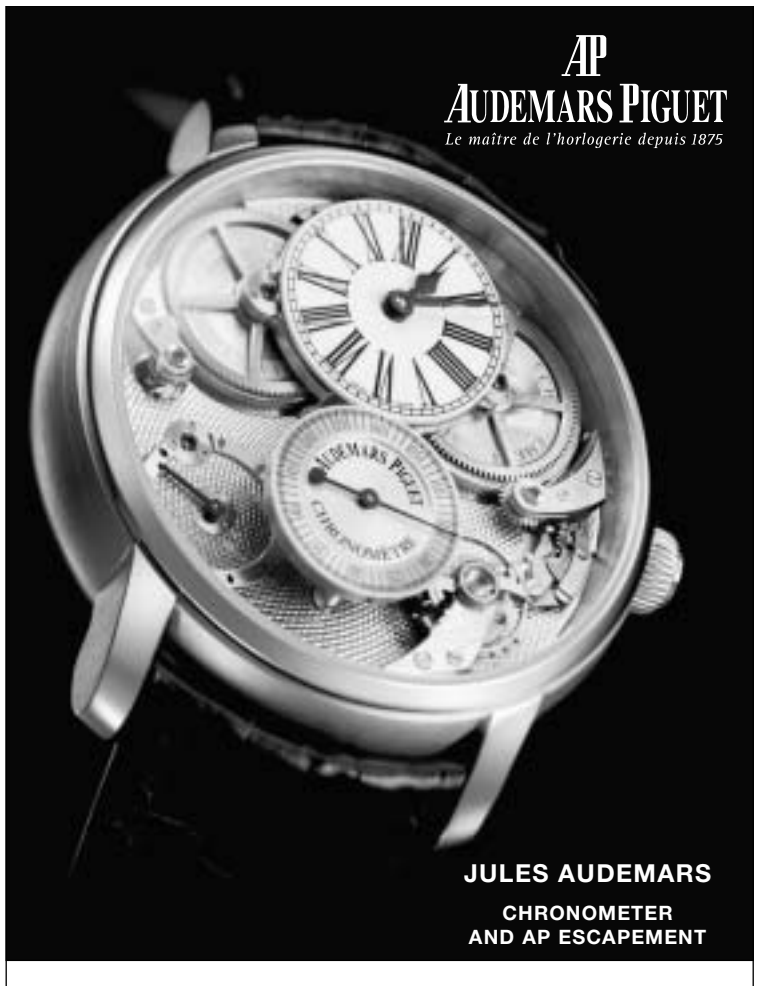
The settlement should ease the way for Trump Entertainment to reemerge from Chapter 11. The group of creditors, which includes **Avenue Capital Group**, holds $1.25 billion in unsecured notes.

Earlier this year, a bankruptcy judge gave the group approval to submit a rival reorganization plan, taking away the company's exclusive right to propose a plan.

The judge also ordered an examiner to investigate why the company was supporting the Trump-Beal plan over the bondholder plan. The bondholders had promised to raise $225 million in new money, compared with the $116 million offer by the Trump-Beal group.

Beal Bank wasn't a part of the settlement agreement. "We are not in a position to comment at this time," Beal Bank President Andrew Beal said through his assistant.

An attorney representing the noteholders, Kristopher Hansen, of Stroock & Stroock & Lavan, said they were "very pleased with the settlement."



AUDEMARS PIGUET, LE BRASSUS (VALLÉE DE JOUX), SWITZERLAND
TEL. +41 21 845 14 00 - **www.audemarspiguet.com**

CORPORATE NEWS

ZTE plans to launch smart phone in 2010

By Lorraine Luk

HONG KONG—**ZTE** Corp. plans to launch a smart phone based on **Google** Inc.'s mobile-operating system next year and is in talks with carriers such as **Vodafone Group** PLC, Verizon Wireless, **France Telecom** SA's Orange and T-Mobile to supply the device, an executive of the Chinese equipment maker said Wednesday.

The move reflects ZTE's ambitions to enter the fastest-growing segment of the mobile-phone industry. Smart phones allow consumers to send e-mails and conduct other multimedia applications.

Traditionally, ZTE has been known as a supplier of low-cost telecom equipment like base stations to companies such as **China Mobile** Ltd. However, it is also keen to beef up its devices business, which could bolster its profit margins.

"We hope to sell our smart phone to these operators next year," said Dale Ying, ZTE's managing director of handset business marketing.

Mr. Ying also said ZTE is in talks and conducting testing with operators in North America.

The company currently makes handsets for U.K.-based Vodafone, Spain's **Telefonica** SA, and China Mobile. Mr. Ying said ZTE targets shipping a combined 60 million handsets and mobile broadband data cards this year, up from 45 million units in 2008.

EU rebuked over Intel case

Ombudsman criticizes antitrust regulator over procedures

By Charles Forelle

BRUSSELS—The European ombudsman said European antitrust regulators had committed "maladministration" in their case against **Intel** Corp. by not documenting a "potentially exculpatory" interview with a witness.

The finding, released Wednesday, will have little direct effect on Intel's antitrust fight in the European Union, but it is an embarrassing black eye for the regulator and could serve as ammunition for critics who say its procedures are in need of greater oversight or reform.

In May, the EU's regulator concluded that the chip giant had illegally used rebates to induce customers not to do business with its rival **Advanced Micro Devices** Inc. and ordered Intel to pay a $1.45 billion fine.

Intel has appealed the EU's decision, and the company could use the ombudsman's findings as it presses its case, but the court isn't obliged to act on them.

The decision by the ombudsman, P. Nikiforos Diamandouros, was reached in July, and its details were reported by The Wall Street Journal in August. The ombudsman has spent the intervening months determining what information to redact before releasing the finding publicly.

According to the ombudsman's report, an executive from **Dell** Inc. met in 2006 with EU antitrust regulators. Exactly what happened in the meeting isn't known, because EU officials didn't record contemporaneous notes.

Intel said the Dell executive expressed concerns with the performance of AMD products, which would lend credence to Intel's argument that computer makers were avoiding AMD for technical reasons, not because of anticompetitive conduct.

Intel complained to the ombudsman in July 2008 that the failure to record the Dell executive's statement was prejudicial to its case.

Paul O'Driscoll for The Wall Street Journal

EU Competition Commissioner Neelie Kroes defended her office.

The ombudsman concluded the EU should have made a record of the meeting. The finding of maladministration is the most serious sanction the ombudsman can issue.

A statement by the spokesman for Competition Commissioner Neelie Kroes said the regulator "does not agree with the Ombudsman's position" that formal notes should have been prepared.

For its part, Intel said in a statement that it "has consistently said that [the regulator] ignored evidence that was potentially exculpatory for Intel and that it was selective in its use of other evidence."

Last week, Intel and AMD settled their legal disputes, including a private antitrust suit brought by AMD. Intel paid AMD $1.25 billion. That settlement doesn't affect regulatory inquiries into Intel in the U.S. and Europe.

Sara Lee attracts new suitor for unit

By Dana Cimilluca And Jeffrey McCracken

S.C. Johnson & Son Inc. has joined the bidding for **Sara Lee** Corp.'s air-freshener business, according to people familiar with the matter, potentially creating a formidable player in Europe with the combination of S.C. Johnson's Glade brand and Sara Lee's Ambi Pur.

The bidding for the unit, which pits S.C. Johnson against consumer-products giant **Procter & Gamble** Co., could fetch more than $700 million but could still be weeks away.

S.C. Johnson is also interested in other parts of Sara Lee's international household-care business, which includes insecticides and Kiwi shoe polish, the people said. S.C. Johnson's board will meet this week to discuss a possible deal with Sara Lee, one of the people said. Sara Lee declined to comment, as did S.C. Johnson, of Racine, Wis.

The emergence of competition for P&G, whose interest in the air-care business surfaced last month, could facilitate Sara Lee's goal of selling its international household and personal-care business. The company officially put the operations on the auction block in March and hired **Goldman Sachs Group** Inc. to help sell them. In September, Sara Lee reached a deal to sell the personal-care business to Anglo-Dutch consumer-products company **Unilever** NV for about $1.9 billion.

Sara Lee Chief Executive Brenda Barnes has reshaped the Downers Grove, Ill., company since she took the helm in 2005, when it was a sprawling consumer-products giant. The sale of the international brands is part of a four-year effort at the company to slim down. Shedding the household and personal-care brands would revamp Sara Lee into a conglomerate mostly focused on food and beverages.

A person briefed on the matter said a number of possible bidders are still in the running for other parts of the household-products business and that all of the operations could be worth more than $1 billion. That could bring total proceeds from the household and personal-care sale to more than $3 billion—higher than some analysts estimated the businesses would fetch when they were first put up for sale. The protracted auction had led to speculation among bankers that Sara Lee would either have to accept a lower price for the assets than it hoped or pull some of them off the market.

Ambi Pur, the flagship brand of Sara Lee's air-freshener business, had about $470 million in sales last year. Putting it together with closely held S.C. Johnson's Glade air freshener, which has a big presence in Europe, could yield substantial benefits, one of the people familiar with the situation said. It is unclear whether such a combination would raise antitrust concerns. Glade has a roughly 25% share of the European air-care market, while Ambi Pur controls about 10%.

Should P&G prevail, it could be followed by other deals at the consumer-products giant. P&G's new chief executive, Robert McDonald, is looking to beef up the company in some areas and prune it in others through mergers and acquisitions to combat sluggish sales, people close to the company have said. In addition to products such as Crest toothpaste and Tide detergent, Cincinnati-based P&G makes the air freshener Febreze.

Sara Lee had originally hoped to sell the entire household and personal-care business to a single buyer but soon had to settle for a piecemeal sale.

Legal Notices

NOTICE OF SPECIAL COURT-ORDERED MEETING OF COMMON SHAREHOLDERS
IN THE SUPREME COURT OF BERMUDA
CIVIL JURISDICTION (COMMERCIAL COURT)
2009: NO. 347

IN THE MATTER OF WILLIS GROUP HOLDINGS LIMITED
AND IN THE MATTER OF SECTION 99 OF THE COMPANIES ACT 1981

NOTICE OF MEETING OF WILLIS GROUP HOLDINGS LIMITED COMMON SHAREHOLDERS TO BE HELD AT 9:00 A.M. EASTERN TIME ON DECEMBER 11, 2009

To the holders of common shares of Willis Group Holdings Limited:

Willis Group Holdings Limited, a company organized under the laws of Bermuda, will hold a special court-ordered meeting of the holders of its common shares at One World Financial Center, 200 Liberty Street, New York, New York 10281-1003, commencing at 9:00 a.m. Eastern Time, on December 11, 2009 to vote:

1. to approve the scheme of arrangement between Willis Group Holdings Limited and its common shareholders (the "Scheme of Arrangement"). If the Scheme of Arrangement is approved and becomes effective, it will effect a transaction (the "Transaction") pursuant to which each holder of Willis Group Holdings Limited common shares outstanding immediately before the Transaction is effected will receive ordinary shares of Willis Group Holdings Public Limited Company, an Irish company, with a par value of $0.000115 per share, on a one-for-one basis, in respect of such outstanding Willis Group Holdings Limited common shares; and

2. if the Scheme of Arrangement is approved, and in connection with the Scheme of Arrangement and the Reorganization (as defined in the proxy statement with respect to the Scheme of Arrangement) to approve the creation of distributable reserves of Willis Group Holdings Public Limited Company (through the reduction of the entire share premium account of Willis Group Holdings Public Limited Company or such lesser amount as may be determined by the board of directors of Willis Group Holdings Public Limited Company) that was previously approved by Willis Group Holdings Limited and the other current shareholders of Willis Group Holdings Public Limited Company (as described in the proxy statement).

If any other matters properly come before the meeting or any adjournments or postponements of the meeting occur, the persons named in the proxy card enclosed with the proxy statement will vote the shares represented by all properly executed proxies in their discretion.

All registered holders of Willis Group Holdings Limited common shares at the close of business on October 30, 2009 are entitled to notice of, and to vote at, the special court-ordered meeting and any adjournments or postponements thereof.

Either an admission ticket or proof of ownership of common shares, as well as a form of personal identification and proof of address, must be presented in order to be admitted to the meeting. Any shareholder who plans to attend the meeting, should vote their proxy, but keep the admission ticket and bring it to the meeting together with a form of personal identification and proof of address. Any shareholder whose shares are held in the name of a bank, broker or other holder of record and who plans to attend the special court-ordered meeting of Willis Group Holdings Limited common shareholders, must present proof of their ownership of common shares, such as a bank or brokerage account statement, together with a form of personal identification and proof of address, to be admitted to the meeting. Any shareholder who would rather have an admission ticket can obtain one by following the instructions in the proxy statement. No cameras, recording equipment, electronic devices, large bags, briefcases or packages will be permitted at the meeting.

The special court-ordered meeting of Willis Group Holdings Limited common shareholders is being held in accordance with an order of the Supreme Court of Bermuda issued on October 23, 2009, which Bermuda law required Willis Group Holdings Limited to obtain prior to holding the meeting. If Willis Group Holdings Limited common shareholders approve the Scheme of Arrangement at the meeting, Willis Group Holdings Limited will make a subsequent application to the Supreme Court of Bermuda seeking sanction of the Scheme of Arrangement, which must be obtained as a condition to the Scheme of Arrangement becoming effective. Willis Group Holdings Limited expects the sanction hearing to be held on December 18, 2009 at 11:00 a.m. Bermuda time at the Supreme Court of Bermuda in Hamilton, Bermuda. A Willis Group Holdings Limited common shareholder who wishes to appear in person or by counsel at the sanction hearing and present evidence or arguments in support of or opposition to the Scheme of Arrangement may do so. In addition, the Supreme Court has wide discretion to hear from interested parties. Willis Group Holdings Limited will not object to the participation in the sanction hearing by any Willis Group Holdings Limited common shareholder who holds shares through a broker.

This notice incorporates the proxy statement of Willis Group Holdings Limited filed with the U.S. Securities and Exchange Commission on November 2, 2009.

By Order of the Board of Directors
Adam G. Ciongoli
Secretary

November 19, 2009

This communication is being made in respect of the proposed reorganization. In connection with the reorganization, Willis Group Holdings Limited filed with the SEC a proxy statement on November 2, 2009 and mailed the proxy statement to its shareholders. **Shareholders are urged to read such proxy statement, which contains important information about the proposed transaction.** The proxy statement is, and other documents filed or to be filed by Willis Group Holdings Limited with the SEC are or will be, available free of charge at the SEC's web site (www.sec.gov) and at Willis Group Holdings Limited's web site (www.willis.com). Shareholders will also be able to obtain, without charge, a copy of the proxy statement and other relevant documents by directing a request by mail or telephone to Company Secretary, c/o Office of the General Counsel, Willis Group Holdings Limited, One World Financial Center, 200 Liberty Street, New York, New York 10281-1003 or (212) 915-8888.

Willis Group Holdings Limited and its directors and executive officers and other persons may be deemed participants in the solicitation of proxies in connection with the proposed reorganization. Information about these persons is set forth in Willis Group Holdings Limited's proxy statement relating to its 2009 Annual General Meeting of Shareholders, as filed with the SEC on March 13, 2009. Information about the direct or indirect interests of the participants, by security holdings or otherwise, is set forth in the proxy statement filed and mailed to shareholders in connection with the reorganization.

CORPORATE NEWS

Vivendi seeks higher price for NBC stake

By Sam Schechner And Max Colchester

Vivendi SA is still working out terms with its partner **General Electric** Co., asking for a higher price and deal protections as the French company seeks to exit its minority stake in NBC Universal, according to people familiar with the matter.

A sale is still likely to go forward, two of these people said.

The Vivendi-GE talks are the last major hurdle in a deal GE has been negotiating with **Comcast** Corp., in which the U.S. cable operator would take control of NBC Universal, according to people familiar with those talks. GE currently owns 80% of the television and film company, while Vivendi holds 20%.

One issue in the GE-Vivendi talks is how Vivendi would be paid. Vivendi has asked for GE to buy out at least part of its 20% stake before a Comcast deal would likely close, according to people familiar with the matter. A Comcast deal could take from six months to more than a year to pass muster in Washington, according to people familiar with the regulatory process. That stipulation would give Vivendi some measure of protection if the Comcast deal does not go through, one of those people said.

Vivendi has also pushed GE to boost what it would pay for Vivendi's 20% interest, according to people familiar with the matter. Two of those people said the disagreement over value was driven, at least in part, by the dollar's weakness against the euro.

It is unclear how far apart the two sides are on price. In June, Vivendi valued its 20% stake in NBC Universal at €4.26 billion, which works out to $6.3 billion at current exchange rates, according to a securities filing. As part of its talks with Comcast, GE has put a value in the neighborhood of $30 billion on NBC Universal, according to people familiar with the matter. That would imply a roughly $6 billion value for Vivendi's 20%.

Two people familiar with the talks said it was "likely" the differences would be resolved and that a deal for a sale of Vivendi's stake would proceed.

A Vivendi spokesman and GE spokeswoman declined to comment on talks over Vivendi's NBC Universal stake.

In the deal Comcast and GE have tentatively worked out, Comcast would contribute cash and merge cable networks with NBC Universal to create a joint venture. Comcast would initially own 51%. GE would buy out Vivendi and at first hold the remaining 49%.

The GE-Vivendi negotiations come as Vivendi has entered an annual window, beginning Nov. 15 and running through the first week of December, when it can exercise contractual rights to force a public offering of its NBC Universal stake, in accordance with rules struck with GE. The rules also allow GE to preempt that offering by buying the stake, but at a value set by outside banks.

As a backup plan, GE has also made preparations for a public offering of at least Vivendi's 20% stake in NBC Universal, according to people familiar with the matter.

—Jeffrey McCracken contributed to this article.

Fonterra holders approve restructuring

Dairy giant revises dividend payments, will allow farmers to trade shares

By Simon Louisson

WELLINGTON, New Zealand—**Fonterra Co-operative Group** Ltd. Wednesday said its 10,500 farmer shareholders approved a capital restructuring of the country's largest company by sales and value.

"Fonterra shareholders today voted overwhelmingly in favor of the first two steps of the co-operative's new capital structure at the annual meeting," the company said.

Chairman Henry van der Heyden said 89% support in the two main votes expressed "great confidence in the co-operative and our future."

The company in September outlined its plan to address the dairy giant's capital needs. The Auckland-based multinational company, the world's biggest dairy exporter by volume of milk traded, needs to raise more than one billion New Zealand dollars (US$746 million) in capital to put its balance sheet in order. Under the new structure, shareholders have the option of buying up to 20% more shares than their regular entitlement based on their farm's production.

Fonterra accounts for about a quarter of New Zealand's exports and had annual sales of NZ$16 billion in the 12 months to July 31.

This month the company lifted its forecast payout to farmers for the season ended May 31, 2010, by 19% because of increasing confidence about rising dairy prices and despite an approximately 50% rise in the New Zealand dollar against the U.S. dollar since early March.

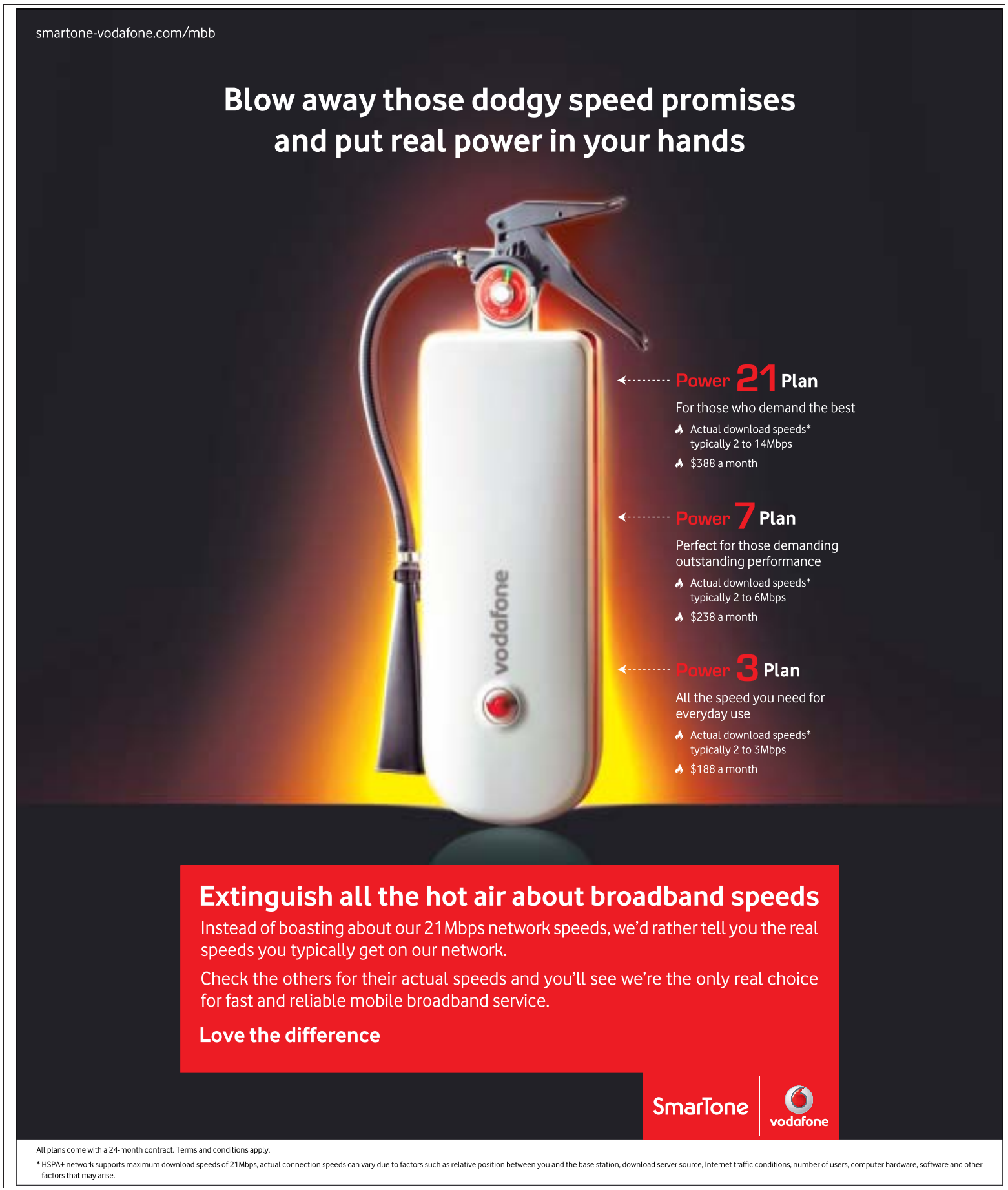
The company is also modifying the so-called fair-value share valuation that is placed on shares by an independent valuer by decreasing the value of the shares to reflect the fact that trading will be restricted to Fonterra farmers.

While Fonterra rejected a share listing two years ago, the new structure will establish a system where farmers can buy and sell shares among themselves. The new plan was expected to be supported. Fonterra said the existing capital structure put it at a disadvantage "with large amounts of money washing in and out of the balance sheet each year as milk production fluctuates."

Fonterra and many of its shareholder farmers have been struggling under heavy debt as income from milk fell sharply from a November 2007 peak, although the price has rebounded by 88% since July.

The company believes the new structure will reduce so-called redemption risk—which happens when capital washes out of the co-operative as shareholders redeem their shares. Shares are allocated according to annual milk production. If production falls because of events like droughts, Fonterra is forced to redeem shares and return equity to shareholders, putting the company under pressure.

Under the new plan, Fonterra's profit would be paid as a dividend on all shares held in a season rather than according to the season's production. Any share transactions at the end of the season would be based on the new season's price. It is currently based on the fair-value share price set a year earlier.


smartone-vodafone.com/mbb
Blow away those dodgy speed promises and put real power in your hands
Power 21 Plan
For those who demand the best
Actual download speeds* typically 2 to 14Mbps
$388 a month
Power 7 Plan
Perfect for those demanding outstanding performance
Actual download speeds* typically 2 to 6Mbps
$238 a month
Power 3 Plan
All the speed you need for everyday use
Actual download speeds* typically 2 to 3Mbps
$188 a month
vodafone
Extinguish all the hot air about broadband speeds
Instead of boasting about our 21Mbps network speeds, we'd rather tell you the real speeds you typically get on our network.
Check the others for their actual speeds and you'll see we're the only real choice for fast and reliable mobile broadband service.
Love the difference
SmarTone
vodafone
All plans come with a 24-month contract. Terms and conditions apply.
* HSPA+ network supports maximum download speeds of 21Mbps, actual connection speeds can vary due to factors such as relative position between you and the base station, download server source, Internet traffic conditions, number of users, computer hardware, software and other factors that may arise.

MARKETS

AXA Asia-Pacific lays out a defense

Top executives say bid by AXA and AMP undervalues the firm's exposure to fast-growing markets

By Rebecca Thurlow

SYDNEY—**AXA Asia Pacific Holdings** Ltd. stepped up its defense against the A$12 billion (US$11.17 billion) joint takeover proposal from French parent **AXA** SA and Australian wealth manager **AMP** Ltd.

Meeting investors Wednesday in Sydney, Chairman Rick Allert and Chief Executive Andrew Penn detailed their argument that the cash-and-shares offer undervalues the company, particularly its exposure to the rapidly growing Asian markets.

"The history and breadth of AXA's Asian business, combined with the nature of the markets, makes it a highly valuable strategic footprint," AXA APH said in an investor presentation.

The only Australian financial-services firm with the majority of its business in Asia, AXA APH has exposure to eight markets in the region, which account for two-thirds of the company's earnings.

"We believe the presentation is directed at the majority shareholder AXA SA to increase its offer for the Asia division before AXA APH considers entering into negotiations," said Southern Cross analyst Lafitani Soti.

However, AXA APH may need to spell out its requirements if it is to extract a better offer from its suitors, he said.

> AXA APH said it has the ability to fund organic growth through earnings.

A spokesman for AXA SA reiterated that the proposal is "fair and compelling." "It's good they have finally come out of the bunker and decided they need to engage shareholders on the matter," he said. "As major shareholders we know our operations are good. We are disappointed they won't talk to us."

A spokeswoman for AMP declined to comment.

Paris-based AXA SA, which has a 53% stake in the target, and AMP said on Nov. 9 that they were teaming up in a bid that valued the group at A$5.34 a share based on the previous trading day's closing share prices. The offer was rejected by the independent directors of AXA APH, who said it wasn't in the interests of minority shareholders.

AMP shares have risen since the offer was made, making the offer more valuable at around A$5.79 share. AXA APH shares rose 1.4% to A$5.92 Wednesday in Sydney.

AXA APH said Wednesday it has significant excess capital, with more than A$1.6 billion in assets above regulatory requirements, and the ability to fund organic growth through internally generated earnings.

With a large position in Hong Kong, AXA APH said it is "set to capitalize on achieving scale in South East Asia" and has "valuable strategic options" in China and India.

Under the complex proposal, which is conditional on board support, each minority shareholder would receive 0.6896 AMP shares and around A$1.38 cash for each of their shares. The cash component of the offer varies with movements in the exchange rate between the U.S. and Australian dollar but will be at least A$1.2071 per share.

AMP would buy AXA APH, including the 53.9% owned by AXA SA, and keep the Australian and New Zealand businesses. It would then sell the Asian operations to AXA SA for around A$7.73 billion.

Hopes of an imminent higher offer from the bidders were dulled after AMP Chief Executive Craig Dunn said the proposal has to make sense economically, and warned that AMP has other growth options if the takeover plan falls through.

Fat Prophets analyst Colin Whitehead said AMP's buoyant share price has weakened Mr. Allert's argument for rejecting the offer.

"In light of which, AMP may feel that it can bring AXA APH to the negotiating table without improving the terms of the bid," Mr. Whitehead said.

Congratulation to Winners

of the Malaysia Property Industry's most coveted Award –

Malaysia Property Award™ 2009 on 16 November, 2009

PROPERTY CEO OF THE YEAR
Shahril Ridza Ridzuan
Group Managing Director, MRCB

MASTER PLAN CATEGORY
Puteri Harbour, Nusajaya, Johor

OFFICE DEVELOPMENT CATEGORY
Menara Hap Seng, Kuala Lumpur

PURPOSE-BUILT PROJECT
Sooka Sentral, Kuala Lumpur Sentral

RESIDENTIAL DEVELOPMENT (HIGH RISE)
Park Seven, Kuala Lumpur

RESIDENTIAL DEVELOPMENT (LOW RISE)
Adiva, Desa ParkCity, Kuala Lumpur

RETAIL DEVELOPMENT
The Curve, Mutiara Damansara, Selangor

By: FIABCI-MALAYSIA THE INTERNATIONAL REAL ESTATE FEDERATION

Official International Media Partner: THE WALL STREET JOURNAL. ASIA PRINT • ONLINE • MOBILE

Official Sponsor: Maybank MAXI HOME So much more than just a housing loan

Report challenges Goldman claim

TARP audit suggests an AIG collapse could have resulted in big losses for Wall Street giant

By Carrick Mollenkamp And Serena Ng

For more than a year, **Goldman Sachs Group** Inc. has maintained that it wouldn't have suffered material losses had the government allowed one of its major trading partners, **American International Group** Inc., to collapse.

A government report throws cold water on that claim.

Goldman was among the largest beneficiaries of a decision by the Federal Reserve Bank of New York to bail out insurer AIG in September 2008 at the height of the financial crisis. The Fed agreed to pay Goldman and 15 other banks, in full, for $62 billion of insurance contracts they had with AIG to protect against price drops of mortgage securities they held.

The report, issued this week by the special inspector general for the Troubled Asset Relief Program, comes amid controversy over whether the government unfairly helped out big banks in its bailout of AIG. The government auditor's report broadly found that the New York Fed left itself little room in negotiating with the banks for a better deal for taxpayers.

Goldman's trading position with AIG centered on $22.1 billion of such insurance the firm had purchased from AIG. In a separate series of trades, Goldman itself had sold protection against losses on the same securities to other trading firms.

Contradicted

A special U.S. government audit revealed new details about the New York Fed's bailout of AIG.

- Goldman has said it was properly hedged against losses tied to an AIG default.
- The audit, however, highlighted trouble spots for Goldman, including a likely decline in assets controlled by Goldman if AIG had collapsed.
- The audit also said Goldman would have had difficulty collecting on credit protection had AIG defaulted.

Associated Press

The problem for Goldman: If AIG collapsed and markets continued to swoon, Goldman would have had to make payments to the other trading firms and been unable to collect on protection it had bought from AIG.

Underlying many of these credit bets was a mass of mortgage debt, securities backed by pools of subprime home loans and commercial real-estate debt, and then more complicated securities also linked to mortgages. The packaging of all those securities helped fuel the U.S. housing boom and subsequently sparked the credit crisis.

Goldman has said it was insulated against a material loss by an AIG default. The audit pointed out that Goldman in fact was protected against some losses. For example, the firm had collected $8.4 billion of collateral, cash or a liquid equivalent from AIG. Separately, Goldman took steps to try to buy insurance against insurance by purchasing protection against an AIG default.

But the audit raised questions about Goldman's calculations. Goldman believed that it controlled $4.3 billion in assets, pools of fixed-income securities that require complex computer modeling to design and understand, that would have been used to counter an AIG default. The securities are called collateralized debt obligations, or CDOs.

The audit said, however, that given the fact that the market for those securities had tanked in November 2008, and that an AIG default would have sparked a rout, Goldman would have had a difficult time obtaining value for those assets.

"It is far from certain that the underlying CDOs could have easily been liquidated, even at the discounted price of $4.3 billion," the audit found.

The audit also said Goldman would have faced the same problem of declining market value for another pool of assets valued at $5.5 billion had AIG defaulted. The bottom line: The audit said those assets that Goldman held would have been worth a lot less had AIG failed.

In a statement, a Goldman spokesman reiterated that the firm was protected against losses tied to an AIG failure: "Goldman Sachs has consistently said its exposure with AIG was collateralized and hedged and therefore we had no direct credit exposure. Given the hedges, collateral and government backing as a result of the bailout, the additional risks of declining market values in the event of an AIG default are a moot point."

A spokeswoman for the special inspector overseeing the Troubled Asset Relief Program wasn't available for comment. The New York Fed said it "acted appropriately" in its dealings with AIG trading partners.

The audit also raised questions about the insulation Goldman had purchased against an AIG default. Goldman bought that protection from other financial firms. The audit said that had AIG defaulted, Goldman might have faced a difficult time actually collecting on that protection, which totaled at least $1.2 billion.

In a trade that is emblematic of the complex hedges financial firms take—making a bet, then buying protection against that bet and then seeking collateral to cover the protection—Goldman officials told government auditors that it had collateral to protect against a loss on the AIG default insurance.

John Paulson enters big new bet on gold

By Gregory Zuckerman

One of the biggest investors is placing a big new bet on gold.

John Paulson, who scored about $20 billion of profits for his hedge fund between 2007 and early 2009 wagering against the housing market and financial companies, is launching a fund dedicated to buying up shares of gold miners and other bullion-related investments, according to three investors.

Mr. Paulson argued that the bull run is only beginning for gold. He said he was starting the fund in part to give himself more exposure to the metal.

Mr. Paulson spoke about the new fund, which will begin on Jan. 1, at a meeting with his investors Tuesday in New York. The gold fund will invest in gold-related shares and gold derivatives and will aim to outperform gold prices.

Paulson & Co. already is a major holder of gold shares, including **AngloGold Ashanti** Ltd. and **Kinross Gold**, doing most of its buying early this year. Mr. Paulson has more than 10% of his $30 billion or so under management in gold-related investments, his investors say.

Mr. Paulson also owns billions of dollars of gold exchange-traded funds and forward contracts that he uses for gold-backed investor classes of his various funds. These gold investments have benefited from the recent surge in gold prices to nearly $1,150 an ounce.

But investing in gold has become a conventional choice for investors worried about the values of leading currencies, including the dollar, on the heels of the huge amounts of money being printed and shoveled at various troubled areas of global economies. Gold's growing popularity raises questions about whether Mr. Paulson's affection for the metal is misguided; the insurance he bought on subprime mortgages was a home run for him because it was selling at dirt-cheap prices when Mr. Paulson did his buying in 2006.

At the same time, the investments Paulson & Co is set to buy for its new fund could be more volatile than overall gold prices, according to investors, so if gold falls, the new fund could underperform.

At Tuesday's investor meeting, Mr. Paulson argued that the bull run was only beginning for gold; he said he was starting the new fund in part to give himself more personal exposure to gold. Mr. Paulson, who is estimated to be worth about $6 billion, said he would himself invest as much as $250 million in the new fund, according to an investor at the meeting.

Gold for November delivery on the Comex division of the New York Mercantile Exchange rose $10.60, or 0.9%, to $1,149.40 in late-morning trade.

All Brokers Are *Not* Created Equal

US Commission Rates Comparison

	100 Shares	1 Stock Option	1 E-mini S&P 500 Future
E-Trade	$7.99 [1]	$8.74 [1] Plus regulatory fees	$2.99 Plus exchange fees
Fidelity	$8.00 [2]	$8.75 [2]	N/A
Interactive Brokers*	$1.00 [3]	$1.00 [3]	$2.40 [3]
optionsXpress	$9.95 [4]	$12.95 [5]	$6.99 [6]
Schwab	$8.95 [7]	$9.70	N/A
TD Ameritrade	$9.99	$10.74	N/A
thinkorswim	$5.00	$2.95	$3.50

Commission Comparison as of November 2, 2009. Services vary by firm. Data is for U.S. equities, stock options and futures.

***Lower commission rates for larger volumes and comparable rates worldwide.**

US Margin Loan Rates Comparison

	$25K	$200K	$1.5M
E-Trade	7.49%	5.99%	3.74%
Fidelity	7.575%	6.575%	3.750%
Interactive Brokers	1.61%	1.11%	0.61%
optionsXpress	6.25%	5.00%	4.00%
Schwab	8.00%	6.875%	6.25%
TD Ameritrade	8.50%	7.25%	6.25%
thinkorswim	7.70%	7.70%**	7.70%**

Margin Rate Comparison as of November 2, 2009. Services vary by firm. **Negotiable

Superior price execution[8], lowest commissions[9], IB has direct access to 80 markets worldwide and financial strength for individual and institutional traders.

Interactive Brokers
The Professional's Gateway to the World's Markets

www.interactivebrokers.com
Tel. (852) 2156 7907

Interactive Brokers LLC is registered with HKSFC. Member NYSE, FINRA, SIPC. — Supporting documentation for any claims and statistical information will be provided upon request. [1] E-Trade - 150-1,499 trades per quarter. [2] Fidelity Gold Account - $1 million or more in assets or $25,000 in assets and 120 trades per year. [3] IB - Accounts generating commissions less than $10 per month (with account equity of $2,000 or more) will be assessed the difference as a monthly activity fee. [4] optionsXpress - minimum 9 stock trades per quarter. [5] optionsXpress - minimum 35 option trades per quarter. [6] optionsXpress - eMini – between 1 - 40 contracts per month. [7] Schwab - 120 trades+ per year or more than $1 million in household balance. [8] Source: The Transaction Auditing Group Inc. (TAG) a third party provider of transaction audit services. For US stocks (53 cents per 100 shares better), the analysis included all market orders of 100 shares or more, up to 10,000 shares from January - June 2009. The analysis for US options (22 cents per contract better) included all market orders with order sizes of 1 to 50 contracts from January - June 2009. [9] Commission survey of IB competitors as of November 2, 2009. 10IB09-237

THE WALL STREET JOURNAL. ASIA 200

Congratulations to all 2009 Asia 200 Winners!

The Wall Street Journal Asia recently hosted its annual Asia 200 Awards Ceremony recognizing Asia's leading companies. Over 100 trophies were awarded to companies representing all 12 Asian regions included in the survey plus many more from the multinational category. Congratulations to all of this year's winners and special thanks to our exclusive 2009 Asia 200 sponsor, Changping District.

For a full recap of the results, please visit asia.WSJ.com/asia200.

Exclusive Sponsor:

北京昌平
Beijing Changping
www.cpol.gov.cn

Changping is situated in the northwest of Beijing with superior site and transportation advantages. The District adjoins Zhongguancun Science Park and the Capital International Airport.

Changping is a historic place with over 6,000 years of history. It is home to the Ming tombs and the Ju Yongguan Great Wall, both of which feature on “the World Heritage List”. In addition, Changping has examples of religious, military and other sites from different periods of history. There are many other attractions in Changping District, including Asia’s only Tank Museum and the largest Aviation Museum in the region.

Known as “the Back Garden of Beijing”, Changping spans an area of 1,343.5 square kilometers with forest coverage over 60%, providing beautiful scenery and a good ecological environment. Changping district is also famous for their hot springs.

Changping is focused on the development of scientific research, education and tourism industries. Changping has 43 universities and 106 scientific research institutions. In addition, the “Future Technology City” Stage 1 will accommodate 14 state-owned enterprises, seven of which are Fortune 500 companies.

Changping, also referred to as “Business Park City" (BPC), is creating a harmonized environment which will blend living, leisure, business, science and education facilities.

DOWJONES
A News Corporation Company

MARKETS

Fantasia's IPO generates $400 million

Shares of the Chinese luxury property developer price near the high end of the range in Hong Kong

By Amy Or

HONG KONG—Chinese property developer **Fantasia Holdings Group** Co. has raised US$400 million in a Hong Kong initial public offering by pricing its shares near the top end of the range it had indicated to investors, people familiar with the situation said Wednesday.

The Shenzhen-based company, which focuses on building luxury apartments, sold 1.46 billion shares at 2.18 Hong Kong dollara (28 U.S. cents) each, one person said. It had set a price range for the shares of HK$1.75 to HK$2.20.

IPO FOCUS

The IPO is the latest to be well-received by investors since early this month, when a US$722 million IPO by Chinese property developer **Evergrande Real Estate Group** Ltd. defied investor fatigue and debuted 34% higher after pricing well below its listed peers.

The person said there was strong demand for the offering, thanks to the company's focus on luxury property developments. The retail tranche was more than 155 times oversubscribed, triggering a clawback mechanism that raised the proportion of shares sold to retail investors to 50% from 10%.

EPA

Fantasia's IPO follows one for Evergrande. Above, an Evergrande development.

The institutional tranche, which originally accounted for 90% of the IPO, was more than 40 times oversubscribed, he added.

Six cornerstone investors have committed to buy US$63 million worth of Fantasia shares, including a wholly owned unit of China Poly Group Corp. and Joseph Lau, chairman of Chinese Estates (Holdings) Ltd.

The market is preparing to digest an additional US$7 billion in Hong Kong IPOs before the year ends.

Among the IPOs slated for the end of the year are a US$2.5 billion offering of Russian aluminum giant UC Rusal and a US$2.5 billion offering from mining company Resourcehouse Ltd., owned by Australian billionaire Clive Palmer.

They will join midsize lender China Minsheng Banking Corp. and Macau casino operator Sands China Ltd., which are tapping the local market for a combined US$8.5 billion.

"Some of the long funds have already stopped making new investments, locking in gains for the year, so upcoming IPOs really need to have a good story to tell and a good base of well-known investors to help rally support," said Steven Leung, a director of institutional sales with UOB KayHian.

BOC International Holdings Ltd., **Citic Securities International**, Deutsche Bank AG and Goldman Sachs Group Inc. are handling the order-taking process for the Fantasia deal.

Meanwhile, property group **Kaisa Group Holdings** Ltd., which is seeking between US$400 million and US$500 million from its IPO, is scheduled to list in the second week of December, people familiar with the situation said Wednesday.

Founded in 1999, Kaisa has a land bank of 16.5 million square meters, three-quarters of which have land-use rights allowing the company to develop the property, one person said.

Unlike Fantasia, which focuses on high-end residential projects, Kaisa builds large-scale residential and commercial properties in cities in the Pearl River Delta such as Guangzhou, Zhuhai and Shenzhen. It also has projects in Shanghai and the central city of Changsha.

BOC International and Credit Suisse Group are handling the order-taking process for the deal, the people said.

China Metal asks auditor for review as CFO leaves

By Jeffrey Ng

HONG KONG—**China Metal Recycling (Holdings)** Ltd. has asked its auditor **Deloitte Touche Tohmatsu** to review its January-to-September earnings, after its former chief financial officer alleged he was denied proper access to the firm's financial information and subsequently resigned.

The country's biggest scrap-metal recycler by revenue said it plans to release its earnings for the nine months ended Sept. 30 as soon as possible.

China Metal Recycling said that Wong Hok Leung quit last week after saying the board "had failed to address his concerns or provide clarification" on the matter.

China Metal Recycling, which listed its shares on the Hong Kong market in June, also said that Mr. Wong said he was "no longer able to properly discharge his duties as a result."

The company said Mr. Wong's allegations were "wholly unfounded," adding that his resignation won't have any impact on its operations.

It said Mr. Wong wasn't able to access the company's financial data because of security upgrades to its computer servers.

The company said Mr. Wong was never denied access to such information.

Mr. Wong couldn't be reached for comment and the Hong Kong Securities and Futures Commission declined to comment.

China Metal Recycling said it planned to prepare a report for the board concerning Mr. Wong's allegations.

It said it named Lam Po Kei as chief financial officer to succeed Mr. Wong.

Analysts said there have been a number of recent cases involving management disputes that resulted in actual corporate-governance problems.

They said Mr. Wong's departure will unavoidably shake investor confidence in China Metal Recycling.

News of Mr. Wong's resignation raised concerns among investors over the company's corporate governance, sending the firm's stock plummeting by as much as 45% on Tuesday.

The stock ended down 24% Tuesday, but ended up 0.8% at 8.64 Hong Kong dollars (US$1.11) on Wednesday.

In September, a nonexecutive director of Chinese caterer FU JI Food & Catering Services Holdings Ltd. resigned, saying she hadn't been kept fully informed of "certain crucial matters of the company in a timely manner."

FU JI, which has been suspended from trading since July 29 because it said it wasn't able to publish results for its last fiscal year, submitted a petition to a Hong Kong court last month to wind up the company.

Citic Pacific names Zhang to senior job

By Joyce Li

HONG KONG—Chinese conglomerate **Citic Pacific** Ltd. appointed a new managing director in a long-awaited move after the incumbent resigned earlier this year following large losses on foreign-exchange derivative contracts.

The company said Wednesday that it tapped 54-year-old Zhang Jijing as managing director. Mr. Zhang is now assistant president of the company's parent, state-run **Citic Group**, and head of its strategy and planning department.

The blue-chip conglomerate has been looking for someone to fill the position since Managing Director Henry Fan resigned in April, along with former Chairman Larry Yung, following the foreign-exchange trading losses.

Hong Kong's financial regulator has completed its investigation into the losses, tied to an unauthorized bet on the Australian dollar, but the police are still looking into the matter, Acting Secretary for Financial Services and the Treasury Julia Leung said in a statement to the Legislative Council on Wednesday.

Trichet calls for tighter regulation of insurers

By Geoffrey T. Smith And Adam Cohen

FRANKFURT—European Central Bank President Jean-Claude Trichet on Wednesday put his weight behind steps to regulate insurance companies more tightly, contending that big insurers can pose risks to financial stability.

Large insurers in particular should be considered "systemically relevant" because of their size, their interlocking operations and the central function of insurance in the overall economy, Mr. Trichet said.

He said the traditional view that insurers and pension funds aren't generally potential sources of systemic risk "needs to be challenged." Insurers and pension funds hold around 10% of the debt securities issued by euro-zone banks, a total of some €435 billion ($646.89 billion), Mr. Trichet said.

Mr. Trichet's statements about the insurance sector come as European Union policy makers prepare to meet again next month to prepare wide-ranging draft legislation aimed at strengthening the bloc's financial-market regulations.

Under legislation known as Solvency II, insurers face stricter capital-reserve requirements and more regulatory scrutiny.

These new rules are due to go into force in 2012, but could be changed before then.

But a committee of insurance and pension-fund regulators from EU national governments is studying the rules and considering watering down the capital requirements. The U.K. is leading a push for lighter regulation of the insurance sector, arguing that the new rules are excessively conservative and could raise costs for consumers.

"It would be wrong to say the industry represents no systemic risk, but it's very low-level systemic risk. This is more of a concern for the banking sector," said Nick Lowe, director of government affairs for the International Underwriting Association of London, an industry lobby group that counts the worlds largest insurers and reinsurers among its members.

Mr. Lowe said the group is worried about efforts to raise capital requirements for the industry. He said this will raise costs without providing substantially higher levels of risk protection.

MOODY'S

is pleased to announce
the following appointments:

MOODY'S INVESTORS SERVICE
SENIOR CREDIT OFFICER
Laura J. Acres

VICE PRESIDENT
Masahiko Miwa
Masayuki Nishida
Sally Yim

MOODY'S ANALYTICS
ASSOCIATE DIRECTOR
Matt A. Robinson

Moody's is an essential component of the global capital markets, providing credit ratings, research, tools and analysis that contribute to transparent and integrated financial markets. Moody's Corporation (NYSE: MCO) is the parent company of Moody's Investors Service, which provides credit ratings and research covering debt instruments and securities, and Moody's Analytics, which encompasses the growing array of Moody's non-ratings businesses including risk management software for financial institutions, quantitative credit analysis tools, economic research and data services, data and analytical tools for the structured finance market, and training and other professional services. The Corporation, which reported revenue of $1.8 billion in 2008, employs approximately 4,000 people worldwide and maintains a presence in 27 countries. Further information is available at
www.moodys.com

Japanese 10-year yield hits a one-month low

By Takashi Mochizuki

TOKYO—The 10-year Japanese government-bond yield hit a one-month intraday low Wednesday as a weaker stock market prompted investors to buy safe-haven assets.

The 10-year yield ended unchanged at 1.30% after briefly touching 1.295%, its lowest since Oct. 14. It peaked at 1.485% last week.

BOND MARKETS

"JGBs have been bought back since last week as concerns over Japan's fiscal health have eased somewhat, and [Wednesday's] declines in stocks further increased demand for cash bonds," said Katsutoshi Inadome, fixed-income strategist at Mitsubishi UFJ Securities.

Market participants are awaiting Thursday's auction of 1.1 trillion yen ($12.32 billion) of 20-year bonds. Many investors believe that the coupon will be set at 2.1%, and the tender will receive solid support from Japanese life-insurance firms.

But some analysts said the coupon may be 2.0%, given current yields. "If that happens, you can't expect strong buying," said Makoto Yamashita, Japan interest-rate strategist at Deutsche Securities.

Longer-dated Treasurys slide

By Min Zeng

NEW YORK—Prices of longer-dated Treasurys fell Wednesday after a government report showed U.S. consumer prices rose more than economists' forecasts last month.

U.S. CREDIT MARKETS

Short-dated Treasurys recovered from early losses as housing starts unexpectedly dropped last month while a Federal Reserve official said the central bank could keep its key interest rate near zero until 2012. The two-year note, whose yield is closely tied to changes in official interest rate outlook, was unchanged in late-morning trade to yield 0.757%. The yield hit 0.734%, the lowest level since late January.

Federal Reserve Bank of St. Louis President James Bullard said if the Fed sticks to the pattern set after the last two recessions, interest rates will remain unchanged until 2012. Mr. Bullard cautioned that this pattern isn't set in stone, because central bank officials are mindful of the possible mistakes of keeping interest rates too low for too long.

Late morning in New York, the 10-year note was down 10/32 at 100 4/32 to yield 3.36%, while the 30-year bond was 21/32 lower at 101 14/32 to yield 4.29%.

Fortinet gains 34% as its IPO hits the market

By Lynn Cowan

The final week before a holiday hiatus in U.S. initial public offerings began with a strong deal from computer network security company **Fortinet** Inc.

The company's stock surged 34% to $16.70 in midday New York trading on the Nasdaq Stock Market from its offering price of $12.50, which itself was well above the range of $9 to $11 it had indicated to investors. The stock opened at $17. In addition, 12.5 million shares, 500,000 more than expected, were sold.

Fortinet, of Sunnyvale, Calif., is the first of six new issues expected in the U.S. this week during a November-end rush of deals. Activity is likely to slow next week because of the Thanksgiving holiday.

The company specializes in unified threat management, which involves consolidating computer-security applications, such as firewalls and antivirus programs, into one system instead of buying them piecemeal from different companies. According to IDC, which provides industry research on information technology, Fortinet is the largest global provider of such unified systems, with 15.4% of the global market in the second quarter.

Although technology spending has been curbed during the economic downturn, companies are continuing to pay for systems that protect them from Internet security threats.

Revenue and gross profits have been steadily rising at Fortinet, but the company has a track record of generating losses. It was unprofitable from 2004 through 2007, but made it into the black in 2008. In the first nine months of the year, total revenue rose 19% to $181 million as service revenue grew. It reported net income of $16 million, compared with a loss of $580,000 in the same period of 2008.

Of the total shares sold in the IPO, slightly more than half are coming from the company's prior private owners, so those proceeds won't benefit Fortinet.

Morgan Stanley, **J.P. Morgan Chase** & Co. and **Deutsche Bank** AG managed the offering.

FUND SCORECARD

Sector Equity Technology

Funds that invest primarily in the equities of companies in the hardware and software sectors. At least 75% of total assets are invested in equities. Ranked on % total return (dividends reinvested) in U.S. dollars for one year ending November 18, 2009

Leading 10 Performers

FUND RATING*	FUND NAME	FUND MGM'T CO.	CURR.	LEGAL BASE	% Return in $US ** YTD	1-YR	2-YR	5-YR
5	**The RSIT Digital Fund**	Reliance Securities InvTrust Co., Ltd	TWD	Taiwan	**97.11**	106.95	0.81	19.77
4	**Cathay Technology**	Cathay Sec Inv Trust Co., Ltd	TWD	Taiwan	**82.13**	96.66	-3.61	15.55
2	**ING Taiwan High Tech Selection**	ING Securities Invest Trust Co., Ltd	TWD	Taiwan	**85.00**	94.77	-10.54	4.94
2	**Janus Global Technology A EUR**	Janus Capital Funds Plc	EUR	Ireland	**58.71**	94.65	-8.30	4.84
5	**Jih Sun High Tech**	Jih Sun Securities Inv Trust Co., Ltd	TWD	Taiwan	**81.79**	94.22	-2.93	16.73
3	**ING Taiwan High Tech**	ING Securities Invest Trust Co., Ltd	TWD	Taiwan	**83.97**	93.56	-7.78	15.19
2	**Fubon Taiwan Technology Tracker**	Fubon Securities Inv Trust Co., Ltd	TWD	Taiwan	**76.61**	91.28	-7.43	NS
4	**Holberg @**	Holberg Fondene	NOK	Norway	**74.29**	89.06	-8.97	8.72
3	**eQ Technology 2 K**	eQ Rahastoyhtiö Oy	EUR	Finland	**74.06**	87.16	-5.94	8.82
3	**SinoPac Hi-Tech**	SinoPac Securities Inv Trust Co., Ltd	TWD	Taiwan	**74.04**	87.08	-12.36	13.52

NOTE: Changes in currency rates will affect performance and rankings.
KEY: ** 2YR and 5YR performance is annualized
NA-not available due to incomplete data;
NS-fund not in existence for entire period

Source: Morningstar, Ltd
1 Oliver's Yard, 55-71 City Road
London EC1Y 1HQ United Kingdom
www.morningstar.co.uk; **Email**: mediaservice@morningstar.com
Phone: +44 (0)203 107 0038; **Fax**: +44 (0)203 107 0001

Advertisement

INTERNATIONAL INVESTMENT FUNDS [Search by company, category or country at asia.WSJ.com/funds]

MORNINGSTAR®

Data as shown is for information purposes only. No offer is being made by Morningstar, Ltd. or this publication. Funds shown aren't registered with the U.S. Securities and Exchange Commission and aren't available for sale to United States citizens and/or residents except as noted. Prices are in local currencies. All performance figures are calculated using the most recent prices available.

FUND NAME	GF	AT	LB	NAV DATE	CR	NAV	—%RETURN— YTD	12-MO	2-YR
AHW the relaxed way to invest									
■ AHW CAPITAL MANAGEMENT									
Tel (+49) 1805 - 23 82 82									
www.ahw-capital.com									
AHW Top-Div.Int.	GL	EQ	LUX	11/17	EUR	55.60	23.3	16.9	-28.0
AllianceBernstein									
■ ALLIANCE BERNSTEIN									
www.alliancebernstein.com/investments Tel. +800 2263 8637									
Am Eq Blend A	OT	OT	LUX	11/17	USD	10.43	27.0	34.8	-14.6
Am Eq Blend B	US	EQ	LUX	11/17	USD	9.81	25.9	33.5	-15.4
Am Growth A	US	EQ	LUX	11/17	USD	31.02	35.5	52.9	-5.4
Am Growth AX	US	EQ	LUX	11/17	USD	33.46	36.1	53.8	-4.9
Am Growth B	US	EQ	LUX	11/17	USD	26.12	34.3	51.4	-6.4
Am Growth C	US	EQ	LUX	11/17	USD	28.08	34.9	52.2	-5.8
Am Growth I	US	EQ	LUX	11/17	USD	34.35	36.4	54.1	-4.7
Am Income A	US	BD	LUX	11/17	USD	8.44	24.0	32.4	5.4
Am Income A2	US	BD	LUX	11/17	USD	18.92	24.3	32.4	5.4
Am Income A2	OT	OT	NA	11/17	HKD	146.63	NS	NS	NS
Am Income AT	OT	OT	NA	11/17	HKD	65.41	NS	NS	NS
Am Income AT	US	BD	LUX	11/17	USD	8.44	24.3	32.4	5.4
Am Income B	US	BD	LUX	11/17	USD	8.44	23.1	31.3	4.6
Am Income B2	US	BD	LUX	11/17	USD	16.32	23.5	31.4	4.6
Am Income B2	OT	OT	NA	11/17	HKD	126.48	NS	NS	NS
Am Income BT	OT	OT	NA	11/17	HKD	65.72	NS	NS	NS
Am Income BT	US	BD	LUX	11/17	USD	8.48	23.5	31.4	4.6
Am Income C	US	BD	LUX	11/17	USD	8.44	23.4	31.7	4.9
Am Income C2	US	BD	LUX	11/17	USD	24.27	23.9	31.8	4.9
Am Income I	US	BD	LUX	11/17	USD	8.44	24.6	33.3	6.1
Am Value A	US	EQ	LUX	11/17	USD	8.54	18.4	34.5	-13.9
Am Value B	US	EQ	LUX	11/17	USD	7.87	17.3	33.2	-14.8
Am Value C	US	EQ	LUX	11/17	USD	8.54	17.8	33.6	-14.3
Am Value I	US	EQ	LUX	11/17	USD	9.18	19.2	35.4	-13.3
Asian Technology A	OT	OT	LUX	11/17	USD	14.69	67.9	81.4	-5.6
Asian Technology B	OT	EQ	LUX	11/17	USD	12.87	66.5	79.7	-6.5
Asian Technology I	OT	EQ	LUX	11/17	USD	16.36	69.0	82.8	-4.9
Emg Mkts Debt A	GL	BD	LUX	11/17	USD	15.59	43.0	58.6	7.7
Emg Mkts Debt A2	GL	BD	LUX	11/17	USD	19.99	43.6	58.5	7.7
Emg Mkts Debt AT	GL	BD	LUX	11/17	USD	15.67	43.6	58.5	7.7
Emg Mkts Debt B	GL	BD	LUX	11/17	USD	15.59	41.9	57.1	6.7
Emg Mkts Debt B2	GL	BD	LUX	11/17	USD	19.27	42.3	56.9	6.7
Emg Mkts Debt BT	GL	BD	LUX	11/17	USD	15.65	42.3	57.0	6.6
Emg Mkts Debt C	GL	BD	LUX	11/17	USD	15.59	42.5	57.9	7.2
Emg Mkts Debt C2	GL	BD	LUX	11/17	USD	19.65	43.0	57.8	7.2
Emg Mkts Debt I	GL	BD	LUX	11/17	USD	15.59	43.6	59.4	8.3
Emg Mkts Growth A	GL	EQ	LUX	11/17	USD	34.03	69.8	80.9	-14.8
Emg Mkts Growth B	GL	EQ	LUX	11/17	USD	28.88	68.4	79.2	-15.6
Emg Mkts Growth C	GL	EQ	LUX	11/17	USD	29.52	69.2	80.2	-15.1
Emg Mkts Growth I	GL	EQ	LUX	11/17	USD	37.69	71.0	82.4	-14.1
Eur Growth A	OT	OT	LUX	11/17	USD	10.45	26.2	24.9	-18.3
Eur Growth A	OT	OT	LUX	11/17	EUR	7.03	26.2	24.9	-18.3
Eur Growth B	OT	OT	LUX	11/17	EUR	6.32	24.9	23.4	-19.2
Eur Growth B	OT	OT	LUX	11/17	USD	9.39	24.9	23.4	-19.2
Eur Growth C	EU	EQ	LUX	11/17	EUR	5.32	25.5	24.0	-18.8
Eur Growth I	OT	OT	LUX	11/17	USD	11.37	26.9	25.6	-17.7
Eur Growth I	OT	OT	LUX	11/17	EUR	7.65	26.9	25.6	-17.7
Eur Income A	OT	OT	LUX	11/17	EUR	6.63	38.8	32.4	3.2
Eur Income A	OT	OT	LUX	11/17	USD	9.86	38.8	32.4	3.2
Eur Income A2	OT	OT	LUX	11/17	EUR	12.83	39.3	32.4	3.3
Eur Income A2	OT	OT	LUX	11/17	USD	19.07	39.3	32.4	3.3
Eur Income AT	EU	BD	LUX	11/17	EUR	6.64	39.3	32.6	3.3
Eur Income B	OT	OT	LUX	11/17	EUR	6.63	38.0	31.5	2.5
Eur Income B	OT	OT	LUX	11/17	USD	9.86	38.0	31.5	2.5
Eur Income B2	OT	OT	LUX	11/17	EUR	11.94	38.4	31.4	2.5
Eur Income B2	OT	OT	LUX	11/17	USD	17.75	38.4	31.4	2.5
Eur Income BT	EU	BD	LUX	11/17	EUR	6.64	38.5	31.5	2.5
Eur Income C	OT	OT	LUX	11/17	EUR	6.63	38.3	31.8	2.8
Eur Income C	OT	OT	LUX	11/17	USD	9.86	38.3	31.8	2.8
Eur Income C2	OT	OT	LUX	11/17	EUR	12.79	38.7	31.7	2.8
Eur Income C2	OT	OT	LUX	11/17	USD	19.01	38.7	31.7	2.8
Eur Income I	OT	OT	LUX	11/17	EUR	6.63	39.3	33.0	3.8
Eur Income I	OT	OT	LUX	11/17	USD	9.86	39.3	33.0	3.8
Eur Strat Value A	OT	OT	LUX	11/17	EUR	8.47	21.7	23.5	-22.1
Eur Strat Value A	OT	OT	LUX	11/17	USD	12.59	21.7	23.5	-22.1
Eur Strat Value I	OT	OT	LUX	11/17	EUR	8.67	22.6	24.6	-21.3
Eur Strat Value I	OT	OT	LUX	11/17	USD	12.89	22.6	24.6	-21.3
Eur Value A	OT	OT	LUX	11/17	USD	13.56	25.3	27.9	-19.2
Eur Value A	OT	OT	LUX	11/17	EUR	9.12	25.3	27.9	-19.2
Eur Value B	OT	OT	LUX	11/17	EUR	8.40	24.1	26.5	-20.0
Eur Value B	OT	OT	LUX	11/17	USD	12.49	24.1	26.5	-20.0
Eur Value C	OT	OT	LUX	11/17	USD	13.11	24.6	27.3	-19.6
Eur Value C	OT	OT	LUX	11/17	EUR	8.82	24.6	27.3	-19.6
Eur Value I	OT	OT	LUX	11/17	EUR	15.64	26.0	28.8	-18.6
Eur Value I	OT	OT	LUX	11/17	USD	16.59	26.0	28.8	-18.6
Gl Balanced (Euro) A	OT	OT	LUX	11/17	EUR	10.52	26.0	28.8	-18.6
Gl Balanced (Euro) A	OT	OT	LUX	11/11	USD	16.85	19.9	23.1	-11.6
Gl Balanced (Euro) B	OT	OT	LUX	11/17	USD	16.49	18.9	21.9	-12.4
Gl Balanced (Euro) C	OT	OT	LUX	11/17	USD	16.78	19.7	22.9	-11.8
Gl Balanced (Euro) I	OT	OT	LUX	11/17	USD	17.20	NS	NS	NS
Gl Balanced A	US	BA	LUX	11/17	USD	16.59	24.8	32.4	-10.5
Gl Balanced B	US	BA	LUX	11/17	USD	15.79	23.7	31.0	-11.4
Gl Balanced C	OT	OT	LUX	11/17	USD	16.35	24.5	32.0	-10.8
Gl Balanced C	OT	OT	LUX	11/17	EUR	11.00	24.5	32.0	-10.8
Gl Balanced I	US	BA	LUX	11/17	USD	17.19	25.6	33.4	-9.9
Gl Bond A	US	BD	LUX	11/17	USD	9.32	12.9	17.7	4.7
Gl Bond A2	US	BD	LUX	11/17	USD	16.08	13.2	17.8	4.7
Gl Bond A2	OT	OT	NA	11/17	HKD	124.62	13.2	17.8	4.7
Gl Bond AT	OT	OT	LUX	11/17	HKD	72.23	13.1	17.8	4.7
Gl Bond AT	US	BD	LUX	11/17	USD	9.32	13.1	17.8	4.7
Gl Bond B	US	BD	LUX	11/17	USD	9.32	11.9	16.6	3.6
Gl Bond B2	US	BD	LUX	11/17	USD	14.10	12.2	16.6	3.6
Gl Bond B2	OT	OT	NA	11/17	HKD	109.28	12.2	16.6	3.6
Gl Bond BT	OT	OT	LUX	11/17	HKD	72.54	12.2	16.7	3.7
Gl Bond BT	US	BD	LUX	11/17	USD	9.36	12.2	16.7	3.7
Gl Bond C	US	BD	LUX	11/17	USD	9.32	12.4	17.2	4.2
Gl Bond C2	US	BD	LUX	11/17	USD	13.96	12.7	17.2	4.2
Gl Bond I	US	BD	LUX	11/17	USD	9.32	13.4	18.4	5.3
Gl Conservative A	US	BA	LUX	11/17	USD	15.03	16.6	21.3	-3.9
Gl Conservative A2	US	BA	LUX	11/17	USD	17.00	16.6	21.3	-3.9
Gl Conservative B	US	BA	LUX	11/17	USD	15.00	15.6	20.1	-4.8
Gl Conservative B2	US	BA	LUX	11/17	USD	16.17	15.6	20.0	-4.8
Gl Conservative C	US	BA	LUX	11/17	USD	15.01	16.2	20.7	-4.3
Gl Conservative C2	US	BA	LUX	11/17	USD	16.64	16.2	20.7	-4.3
Gl Conservative I	US	BA	LUX	11/17	USD	15.10	17.5	22.3	-3.1
Gl Eq Blend A	GL	EQ	LUX	11/17	USD	11.76	31.5	41.5	-20.9
Gl Eq Blend B	GL	EQ	LUX	11/17	USD	11.05	30.5	40.1	-21.7
Gl Eq Blend C	GL	EQ	LUX	11/17	USD	11.55	31.0	40.7	-21.3
Gl Eq Blend I	GL	EQ	LUX	11/17	USD	12.39	32.5	42.6	-20.3
Gl Growth A	GL	EQ	LUX	11/17	USD	42.10	30.5	37.9	-21.8
Gl Growth B	GL	EQ	LUX	11/17	USD	35.18	29.4	36.5	-22.6
Gl Growth C	GL	EQ	LUX	11/17	USD	40.42	30.0	37.2	-22.1
Gl Growth I	GL	EQ	LUX	11/17	USD	46.70	31.5	39.0	-21.2
Gl High Yield A	US	BD	LUX	11/17	USD	4.26	55.9	58.0	3.0
Gl High Yield A2	US	BD	LUX	11/17	USD	9.02	56.6	58.0	2.9
Gl High Yield A2	OT	OT	NA	11/17	HKD	69.91	56.6	58.0	2.9
Gl High Yield AT	OT	OT	NA	11/17	HKD	32.78	56.9	57.9	2.9
Gl High Yield AT	US	BD	LUX	11/17	USD	4.23	56.9	57.9	2.9
Gl High Yield B	US	BD	LUX	11/17	USD	4.26	54.2	55.8	1.7
Gl High Yield B2	US	BD	LUX	11/17	USD	14.52	55.3	56.5	1.9
Gl High Yield B2	OT	OT	NA	11/17	HKD	112.53	55.3	56.5	1.9
Gl High Yield BT	OT	OT	NA	11/17	HKD	33.33	55.0	56.2	1.8
Gl High Yield BT	US	BD	LUX	11/17	USD	4.30	55.0	56.2	1.8
Gl High Yield C	US	BD	LUX	11/17	USD	4.26	55.1	57.0	2.4
Gl High Yield C2	US	BD	LUX	11/17	USD	13.38	56.1	57.2	2.4
Gl High Yield I	US	BD	LUX	11/17	USD	4.26	56.8	59.1	3.6
Gl Value A	GL	EQ	LUX	11/17	USD	11.26	32.6	45.1	-20.1
Gl Value B	GL	EQ	LUX	11/17	USD	10.36	31.5	43.7	-20.9
Gl Value C	GL	EQ	LUX	11/17	USD	10.95	32.1	44.5	-20.5
Gl Value I	GL	EQ	LUX	11/17	USD	11.97	33.6	46.2	-19.5
Greater China A	AS	EQ	LUX	11/17	USD	40.59	58.2	74.1	-16.4
Greater China B	AS	EQ	LUX	11/17	USD	35.96	56.8	72.4	-17.2
Greater China C	AS	EQ	LUX	11/17	USD	40.10	57.6	73.4	-16.7
India Growth A	OT	OT	LUX	11/17	USD	123.80	NS	NS	NS
India Growth AX	OT	OT	LUX	11/17	USD	108.18	87.3	98.9	-10.2
India Growth B	OT	OT	LUX	11/17	USD	129.85	NS	NS	NS
India Growth BX	OT	OT	LUX	11/17	USD	92.58	85.6	96.9	-11.1
India Growth I	EA	EQ	LUX	11/17	USD	112.03	87.9	99.6	-9.9
Int'l Health Care A	OT	EQ	LUX	11/17	USD	133.12	13.4	16.4	-10.2
Int'l Health Care B	OT	EQ	LUX	11/17	USD	112.42	12.4	15.2	-11.1
Int'l Health Care C	OT	EQ	LUX	11/17	USD	127.65	12.9	15.8	-10.6
Int'l Health Care I	OT	EQ	LUX	11/17	USD	145.31	14.2	17.3	-9.5
Int'l Technology A	OT	EQ	LUX	11/17	USD	106.40	45.5	57.5	-12.6
Int'l Technology B	OT	EQ	LUX	11/17	USD	92.31	44.2	56.0	-13.4
Int'l Technology C	OT	EQ	LUX	11/17	USD	102.88	44.9	56.8	-12.9
Int'l Technology I	OT	EQ	LUX	11/17	USD	119.19	46.5	58.8	-11.9
Japan Eq Blend A	JP	EQ	LUX	11/17	JPY	5588.00	4.1	9.4	-25.8
Japan Eq Blend B	JP	EQ	LUX	11/17	JPY	5398.00	3.2	8.3	-26.6
Japan Eq Blend C	JP	EQ	LUX	11/17	JPY	5501.00	3.7	8.9	-26.2
Japan Growth A	JP	EQ	LUX	11/17	JPY	5500.00	-1.1	1.8	-26.2
Japan Growth B	JP	EQ	LUX	11/17	JPY	5314.00	-2.0	0.8	-27.0
Japan Growth C	JP	EQ	LUX	11/17	JPY	5416.00	-1.5	1.4	-26.6
Japan Strat Value A	JP	EQ	LUX	11/17	JPY	5650.00	9.6	17.2	-25.7
Japan Strat Value B	JP	EQ	LUX	11/17	JPY	5464.00	8.6	16.1	-26.5
Japan Strat Value C	JP	EQ	LUX	11/17	JPY	5559.00	9.1	16.7	-26.1
Real Estate Sec. A	OT	EQ	LUX	11/17	USD	14.12	32.3	52.8	-17.3
Real Estate Sec. B	OT	EQ	LUX	11/17	USD	12.92	31.2	51.3	-18.1
Real Estate Sec. I	OT	EQ	LUX	11/17	USD	15.16	33.2	54.1	-16.6
Short Mat Dollar A	US	BD	LUX	11/17	USD	7.23	10.5	7.2	-6.9
Short Mat Dollar A2	US	BD	LUX	11/17	USD	9.70	10.7	7.1	-7.0
Short Mat Dollar AT	US	BD	LUX	11/17	USD	7.23	10.8	7.2	-7.0
Short Mat Dollar B	US	BD	LUX	11/17	USD	7.23	10.1	6.7	-7.4
Short Mat Dollar B2	US	BD	LUX	11/17	USD	9.65	10.2	6.5	-7.4
Short Mat Dollar BT	OT	OT	LUX	11/17	USD	7.24	9.5	6.0	-7.7
Short Mat Dollar C	US	BD	LUX	11/17	USD	7.23	10.1	6.7	-7.4
Short Mat Dollar C2	US	BD	LUX	11/17	USD	13.65	10.3	6.6	-7.4
Short Mat Dollar I	US	BD	LUX	11/17	USD	7.23	11.0	7.8	-6.4

Advertisement [ALTERNATIVE INVESTMENT FUNDS www.WSJ.com] Advertisement

FUND NAME	GF	AT	LB	NAV DATE	CR	NAV	—%RETURN— YTD	12-MO	2-YR
■ ALEXANDRA INVESTMENT MANAGEMENT									
Tel: +1 212 301 1800 Fax: +1 212 301 1810									
Alexandra Convertible Bond Fund I, Ltd. (Class A)	OT	OT	VGB	10/30	USD	1642.69	69.6	71.6	NS
■ CREDIT PACIFIC ASSET MANAGMENT									
www.creditpacific.com									
CPS-Master Priv Fund	GL	OT	WSM	11/16	USD	117.45	17.5	17.1	9.1
PLATINUM CAPITAL MANAGEMENT									
■ PLATINUM CAPITAL MANAGEMENT									
Tel: +44 207 024 9840, www.platinumfunds.net									
Platinm-All Star	OT	OT	CYM	09/30	USD	94.24	12.2	-6.9	-12.2
Platinm-All Weather	OT	OT	USA	10/31	USD	129.92	2.4	3.2	3.8
Platinm-Dynasty	OT	OT	USA	08/31	USD	105.38	2.5	-9.3	-26.1
Platinm-Emancipation	OT	OT	USA	09/30	USD	96.83	29.4	0.4	-7.7
Platinm-Equity Plus	OT	OT	USA	05/29	USD	35.02	-18.2	-63.7	-45.6
Platinm-Gbl Dividend	OT	OT	CYM	09/30	USD	59.71	27.4	-18.1	-32.3
Platinm-Nordic	OT	OT	CYM	09/30	SEK	591.49	8.4	-6.2	-19.0
Platinm-Premier	OT	OT	CYM	12/31	USD	21.20	-55.9	-66.0	-44.3
Platinm-Turnberry	OT	OT	USA	09/30	USD	55.93	NS	8.3	-39.0
SUPERFUND									
■ SUPERFUND ASSET MANAGEMENT GMBH									
For info about open funds, contact info@superfund.com and www.superfund.com									
Closed for New Investments									
Superfund Cayman*	OT	OT	CYM	11/10	USD	44.95	-46.0	-39.3	-7.7
Superfund GCT USD*	GL	EQ	LUX	11/10	USD	2363.00	-35.3	-31.8	-4.6
Superfund Green Gold A (SPC)	OT	OT	CYM	11/10	USD	1030.45	-11.4	6.0	7.2
Superfund Green Gold B (SPC)	OT	OT	CYM	11/10	USD	1026.40	-23.8	-6.7	2.7
Superfund Q-AG*	OT	OT	AUT	11/10	EUR	6792.00	-22.5	-19.1	0.0
■ WINTON CAPITAL MANAGEMENT LTD									
Tel: +44 (0)20 7610 5350 Fax: +44 (0)20 7610 5301									
Winton Evolution EUR Cls H	OT	OT	CYM	10/30	EUR	939.64	NS	NS	NS
Winton Evolution GBP Cls G	OT	OT	CYM	10/30	GBP	943.02	NS	NS	NS
Winton Evolution USD Cls F	OT	OT	CYM	10/30	USD	1189.62	-6.2	-1.5	3.1
Winton Futures EUR Cls C	OT	OT	VGB	10/30	EUR	192.39	-6.5	0.0	7.8
Winton Futures GBP Cls D	OT	OT	VGB	10/30	GBP	207.72	-6.4	0.6	8.9
Winton Futures JPY Cls E	OT	OT	VGB	10/30	JPY	13589.60	-7.9	-1.6	4.9
Winton Futures USD Cls B	OT	OT	VGB	10/30	USD	682.02	-7.0	-0.3	7.5
Allianz Global Investors									
■ ALLIANZ GLOBAL INVESTORS KAPITALANLAGEGESELLSCHAFT									
Concentra AE	EU	EQ	DEU	11/18	EUR	50.91	30.3	39.2	-11.1
Industria AE	EU	EQ	DEU	11/18	EUR	70.38	33.8	31.6	-17.1
InternRent AE	EU	BD	DEU	11/18	EUR	34.99	2.9	0.7	8.6

For information about listing your funds, please contact: Carson Wong tel: +852 2831-6481; email: carson.wong@dowjones.com or Peter Jennings, tel: +44-20-7842-9674; email: peter.jennings@dowjones.com

MARKETS

Techs, housing report weigh on U.S. stocks

By Geoffrey Rogow And Donna Kardos Yesalavich

U.S. stocks pared some of their losses but remained lower Wednesday morning after disappointing earnings guidance from technology companies and an unexpected decline in home construction and building permits in October.

Around midday in New York, the Dow Jones Industrial Average, was down 34.77 points, or 0.3%, to 10402.65, after falling more than 75 points earlier.

ABREAST OF THE MARKET

Leading the move lower were both consumer and technology stocks. **Walt Disney** slipped 1.1% and **Hewlett-Packard** dropped 1.2%.

Going into Wednesday, the index had risen for nine of the past 10 sessions, largely because rising commodities prices boosted the shares of energy and materials producers.

Crude oil for for December delivery was up 56 cents to $79.70 a barrel in late morning on the New York Mercantile Exchange.

The Standard & Poor's 500-stock index was off 2.65, or 0.2%, to 1107.67, as home-construction data led to a decline in its consumer-discretionary sector. **Starbucks** fell 1.6%, and **Target** was off 1%.

Technology was also weak, with the Nasdaq Composite down 16.79, or 0.8% at 2186.99. A weaker-than-expected full-year profit outlook and fiscal third-quarter profit decline for **Autodesk** weighed on the sector. The design-software company was down 10%.

Further weighing on stocks, **Salesforce.com** lost 3.3% even after the company raised its full-year guidance.

Hershey was down 1.3% amid reports that it is in preliminary talks with Italian chocolate maker Ferrero about making a joint bid for U.K. confectioner Cadbury.

The S&P Homebuilders exchange-traded fund wavered between gains and losses, and was up 0.5% in late morning trade. **Toll Brothers** added 1% and **Pulte Homes** climbed 5.4%, helped by an upgrade to "buy" from "hold" by Citigroup analyst Josh Levin.

European markets

The U.S. housing data undercut stocks, which fell for a second straight session, offsetting gains by **Cadbury** and **Marks & Spencer**.

The pan-European Dow Jones Stoxx 600 index slipped 0.3% to 249.65.

Building and construction materials firm Wolseley, which reported a 45% drop in adjusted three-month profit, fell 3.6% in London. The U.K. FTSE 100 index slipped 0.1% to 5342.13, the French CAC-40 index finished virtually flat at 3828.16, while the German DAX 30 index inched up 0.2% to 5787.61.

Deal speculation pushed Cadbury up 1.2%. Marks & Spencer climbed 5.9% after it appointed a new chief executive, sparking hopes for a change in strategic direction.

Euro advances against dollar as oil, gold rise

By Fabio Alves

NEW YORK—The euro advanced against the dollar Wednesday as appetite for risk fueled a rally in oil, gold, copper and other commodities, boosting stock markets.

With gold, crude oil and equities advancing, "we would not be surprised to see a rally now" on the euro towards $1.5064 again, Tom Fitzpatrick at Citigroup told clients.

CURRENCY MARKETS

Late morning, the euro was at $1.4966 from $1.4871 late Tuesday. The dollar was at 89.24 yen from 89.29 yen, while the euro was at 133.56 yen from 132.79. The U.K. pound was at $1.6773 from $1.6815 and the dollar was fetching 1.0095 Swiss francs from 1.0163 francs.

Recent statements from the Federal Open Market Committee pledging to keep the key interest rate near zero for an extended period have eroded demand for the low-yielding dollar.

The U.K. pound struggled as investors responded to minutes from the Bank of England's November monetary policy committee meeting.

"The market has so far read the November BOE minutes as dovish," Credit Suisse analysts wrote. "The surprise statement that the BOE considered the possibility of cutting the interest rate paid to banks on a portion of their reserves is the key driver of the market's response."

Share-issuance fears maintain pressure on Japanese market

By Colin Ng And Kirsty Green

Renewed concern over equity issuance among Japanese financial companies sent the Tokyo market lower on Wednesday, but gains for brokerage stocks boosted South Korea's key index. Other Asian stock markets ended the day mixed.

The Nikkei Stock Average of 225 companies erased early gains after

ASIAN-PACIFIC STOCKS

Tokyo Tatemono, a real-estate company, said it will raise up to 45.64 billion yen ($513 million) through an issue of new shares. Tokyo Tatemono plunged 17%. News that Mitsubishi UFJ Financial Group was considering a one trillion yen share issue has raised concern in recent sessions that capital-raising efforts by banks will dilute the stock owned by existing shareholders. MUFG confirmed its issuance plans after the market closed.

The Nikkei closed down 0.6% at 9676.80. "The market just doesn't have enough participants to regain any momentum," said Takero Inaizumi, head of equities at Mizuho Investors Securities.

Mr. Inaizumi said uncertainty over additional economic stimulus plans had traders worrying about the economic outlook. "Without additional economic boost plans from the government, Japanese stocks will continue to lag the markets of other major developed countries, let alone those of more attractive newly emerging markets," he said.

In South Korea, brokerage stocks rallied amid expectations that the local market will soon begin to rally, prompting greater trading activity. The Kospi index closed 1.1% higher. **Daewoo Securities** gained 6.6% and **Samsung Securities** rose 2.7%, while **KB Financial** rose 1.2% among banks.

Australia's S&P/ASX 200 inched up 0.2%, and Taiwan's Taiex rose 0.4%. Hong Kong's Hang Seng Index fell 0.3% to 22840.33 and China's Shanghai Composite ended 0.6% higher, while India's Sensex fell 0.3% and Singapore's Straits Times Index closed down 0.7%.

In Hong Kong, the Hang Seng Index failed to stay above the psychologically important level of 23000 for a second straight session as recent gains led to caution among investors.

A 2.5% rise in index heavyweight **China Mobile**'s shares supported the market, however, after Chairman Wang Jianzhou said the company was still in talks with Apple to sell the iPhone in China.

Property stocks, which have far outperformed the broad Hong Kong market, declined on profit-taking. **New World Development** fell 1.9% and **Sun Hung Kai Properties** lost 0.8%.

Solar-energy stocks rallied in Taipei on hopes that an agreement with China to cooperate on clean energy issues would lead to new business.

—V.Phani Kumar contributed to this article.

[Search by company, category or country at asia.WSJ.com/funds] INTERNATIONAL INVESTMENT FUNDS Advertisement

GAM

GAM FUND MANAGEMENT LIMITED
George's Court, 54-62 Townsend Street, Dublin 2, Ireland
Tel +3531 609 3927 Fax +3531 611 7941, Internet: www.gam.com

FUND NAME	GF	AT	LB	NAV DATE	CR	NAV	YTD	12-MO	2-YR
GAM Arbitrage Op	OT	OT	VGB	11/06	USD	1244.26	22.8	3.9	-9.8
GAM Asia Eq Hdg JPY Op	GL	EQ	VGB	11/16	JPY	14941.40	59.4	61.0	NS
GAM Asia Equity Hedge US	OT	OT	VGB	11/16	USD	282.18	61.7	64.5	-0.5
GAM Asia Equity USD	OT	OT	VGB	11/17	USD	638.49	59.0	75.5	-15.3
GAM Asia-Pacific Eq USD	OT	OT	VGB	11/17	USD	1254.50	16.8	16.8	-16.1
GAM Com Glb Bal EUR Op	US	BA	VGB	11/09	EUR	91.90	14.5	12.3	-10.8
GAM Com Glb Bal USD Op	US	BA	VGB	11/09	USD	127.03	14.5	12.3	-10.8
GAM Comp Glb Eq EUR Op	GL	EQ	VGB	11/09	EUR	93.03	20.5	15.0	-18.4
GAM Comp Glb Eq USD Op	GL	EQ	VGB	11/09	USD	125.87	20.5	15.0	-18.4
GAM Comp Glb Gr EUR Op	US	BA	VGB	11/09	EUR	82.22	14.5	11.0	-15.3
GAM Comp Glb Gr USD Op	US	BA	VGB	11/09	USD	125.83	14.5	11.0	-15.3
GAM CompAbsRT EUR Op	OT	OT	VGB	09/30	EUR	141.71	9.1	0.1	-6.9
GAM CompAbsRT SGD Op	OT	OT	VGB	09/30	SGD	102.21	9.2	-0.1	-8.3
GAM CompAbsRT USD Op	OT	OT	VGB	09/30	USD	845.66	9.5	0.7	-7.0
GAM Cptal Apprec Eq Inc	US	EQ	VGB	11/13	USD	243.20	33.5	33.9	-13.1
GAM Cross Trading Inc	OT	OT	VGB	11/09	USD	466.94	6.7	8.7	NS
GAM Diversity CHF Op	OT	OT	VGB	11/09	CHF	94.23	4.1	1.0	-7.7
GAM Diversity EUR Op	OT	OT	VGB	11/09	EUR	647.61	4.9	2.1	-6.1
GAM Diversity USD 2.5XL	OT	OT	VGB	10/30	USD	76.73	6.4	-2.6	-22.6
GAM Diversity USD Op	OT	OT	VGB	11/09	USD	680.17	4.9	1.8	NS
GAM Dvrsty II CHF Op	OT	OT	VGB	11/09	CHF	99.51	4.0	0.7	NS
GAM Dvrsty II EUR Op	OT	OT	VGB	11/09	EUR	138.69	4.5	1.3	-6.2
GAM Dvrsty II USD Op	OT	OT	VGB	11/09	USD	210.15	4.6	1.3	-6.4
GAM DvrstyIII EUR Op	OT	OT	VGB	10/30	EUR	114.70	3.8	0.5	-6.8
GAM DvrstyIII USD Op	OT	OT	VGB	10/30	USD	121.09	3.8	0.4	-6.9
GAM Euro Eq Hdg EUR Op	EU	EQ	VGB	11/16	EUR	211.25	7.1	4.0	-6.3
GAM Euro Eq Hdg USD Op	OT	OT	VGB	11/16	USD	196.60	7.9	5.5	-4.7
GAM European Equity USD	OT	OT	VGB	11/16	USD	310.86	32.2	42.2	-12.0
GAM GAMCO	OT	EQ	VGB	11/10	USD	793.61	36.8	24.0	-14.4
GAM Gb EmMkts Hdg EUROp	OT	OT	VGB	10/30	EUR	97.64	13.2	7.3	-17.5
GAM Gb EmMkts Hdg USDOp	OT	OT	VGB	11/16	USD	105.57	16.6	12.4	-14.8
GAM Gbl Divers USD Inc.	GL	EQ	VGB	11/16	USD	253.75	24.3	25.4	-8.4
GAM Grtr China Eq Hdg Op	GL	EQ	VGB	10/30	USD	261.34	83.0	103.9	5.6
GAM Intrst Trend II	GL	BD	VGB	11/16	USD	96.36	45.8	42.9	-12.1
GAM Intrst Trend Inc	OT	OT	VGB	11/16	USD	254.22	59.6	55.9	-8.1
GAM Japan Eq Hdg EUR Op	AS	EQ	VGB	11/16	EUR	112.44	5.3	-3.8	-8.0
GAM Japan Eq Hdg USD Op	OT	OT	VGB	11/16	USD	117.57	4.5	-3.1	NS
GAM Japan Eq Hdg YEN Open	AS	EQ	VGB	10/30	JPY	8507.22	10.3	7.0	-22.3
GAM Japan USD	JP	EQ	VGB	11/17	USD	1055.69	2.0	9.7	-17.5
GAM Japan YEN	JP	EQ	VGB	11/17	JPY	8299.75	3.6	5.8	-24.4
GAM Money Mkt EuroOp	EU	MM	VGB	11/16	EUR	51.20	0.1	0.3	1.9
GAM Money Mkt USD	US	MM	VGB	11/16	USD	100.00	0.0	0.0	1.1
GAM Multi-Arb EUR Op	OT	OT	VGB	11/09	EUR	113.28	1.1	-4.2	-9.1
GAM Multi-Arb USD Op	OT	OT	VGB	10/30	USD	118.02	1.1	-4.5	-9.4
GAM Multi-China EUR Op	OT	OT	VGB	10/30	EUR	159.17	7.2	8.0	-15.9
GAM Multi-China USD Op	OT	OT	VGB	10/30	USD	167.40	7.8	8.4	4.1
GAM Multi-Emer Mkts GBP	OT	OT	VGB	10/30	GBP	127.90	22.3	18.7	-4.8
GAM Multi-Emer Mkts USD	OT	OT	VGB	11/09	USD	638.45	23.2	19.5	-4.3
GAM Multi-Eur EUR Op	OT	OT	VGB	10/30	EUR	265.40	5.7	5.2	-12.9
GAM Multi-Eur II EUR Op	OT	OT	VGB	11/09	EUR	138.00	6.8	6.3	-12.0
GAM Multi-Eur II USD Op	OT	OT	VGB	11/09	USD	112.91	6.5	5.6	-13.0
GAM Multi-Eur USD Op	OT	OT	VGB	10/30	USD	462.12	5.5	4.6	-13.9
GAM Multi-Nth Am EUR Special	OT	OT	VGB	11/09	EUR	133.09	11.7	9.7	NS
GAM Multi-Nth Am USD Special	OT	OT	VGB	11/09	USD	216.84	12.1	10.7	NS
GAM Multi-Pac EUR Op	GL	EQ	VGB	10/30	EUR	140.15	2.8	2.6	-6.7
GAM Multi-Pac USD Op	OT	OT	VGB	11/09	USD	163.12	3.8	3.6	-6.4
GAM Portable Dvr/S&P500	OT	OT	VGB	08/24	USD	70.11	17.7	-27.7	-22.9
GAM Selection Hdg	US	EQ	VGB	11/06	USD	2499.87	60.7	53.3	6.4
GAM Sing/Malaysia	AS	EQ	VGB	11/17	USD	2471.72	48.8	50.8	-11.8
GAM Sterling Spe Bd Inc	OT	OT	VGB	11/09	GBP	238.87	38.3	38.0	0.9
GAM Trading EUR Inc	OT	OT	VGB	11/09	EUR	325.84	6.6	8.8	7.4
GAM Trading USD Inc	OT	OT	VGB	11/09	USD	975.18	6.8	8.7	6.9
GAM Trdg II IncEUR Op	OT	OT	VGB	11/09	EUR	139.39	6.5	8.7	7.3
GAM Trdg II IncUSD Op	OT	OT	VGB	11/09	USD	316.64	6.8	8.7	6.9
GAM Trdg IV IncEUR Op	OT	OT	VGB	11/09	EUR	147.11	6.3	8.5	7.1
GAM Trdg IV IncUSD Op	OT	OT	VGB	11/09	USD	154.86	6.5	8.5	6.8
GAM Trdg V IncEUR Op	OT	OT	VGB	10/30	EUR	124.10	5.8	7.8	6.7
GAM Trdg V IncUSD Op	OT	OT	VGB	10/30	USD	129.23	5.9	7.8	6.3
GAM TrdgIII IncEUR Op	OT	OT	VGB	11/09	EUR	157.29	6.4	8.6	7.1
GAM TrdgIII IncUSD Op	OT	OT	VGB	11/09	USD	162.87	6.5	8.5	6.8
GAM USDSpecBondInc	US	BD	VGB	11/09	USD	517.18	70.1	72.0	3.5
GAM Worldwide	GL	EQ	VGB	11/16	USD	2298.65	28.3	38.0	-9.3
GAMut Investments	OT	OT	VGB	11/11	USD	7640.60	5.2	9.9	7.6

GAM Star Fund Plc

GAMStar-AsEqCHF Ord Ac	AS	EQ	IRL	11/16	CHF	10.53	48.7	44.7	-19.4
GAMStar-AsEqEUR Ord Ac	AS	EQ	IRL	11/16	EUR	11.17	49.4	46.9	-15.2
GAMStar-AsEqGBP Ord Ac	AS	EQ	IRL	11/16	GBP	1.48	39.4	53.1	-5.2
GAMStar-AsEqUSD Ord Ac	AS	EQ	IRL	11/16	USD	13.15	60.4	75.1	-14.0
GAMStar-AsPacEqEUR Acc	AS	EQ	IRL	11/16	EUR	96.51	14.2	10.2	-15.5
GAMStar-AsPacEqEUR Inc	AS	EQ	IRL	11/16	EUR	93.40	14.2	10.2	-15.5
GAMStar-ContEurEqEUR Ac	EU	EQ	IRL	11/16	EUR	10.80	22.7	19.6	-11.7
GAMStar-EurpEqEUR Acc	EU	EQ	IRL	11/16	EUR	182.81	24.8	21.0	-13.5
GAMStar-EurpEqEUR Inc	EU	EQ	IRL	11/16	EUR	167.04	24.8	21.0	-13.5
GAMStar-EurpEqUSD Acc	EU	EQ	IRL	11/16	USD	16.69	33.7	44.0	-12.2
GAMStar-EurpEqUSD Inc	EU	EQ	IRL	11/16	USD	15.13	33.7	44.0	-12.2
GAMStar-FrontierOppUSD Acc	GL	EQ	IRL	11/16	USD	5.89	25.1	18.9	NS
GAMStar-JpnEq EUR Acc	JP	EQ	IRL	11/16	EUR	83.16	2.2	1.5	-15.0
GAMStar-JpnEq EUR Inc	JP	EQ	IRL	11/16	EUR	83.16	2.2	1.5	-15.0
GAMStar-JpnEq JPY Acc	JP	EQ	IRL	11/16	JPY	871.97	4.0	6.8	-24.1
GAMStar-JpnEq USD Acc	JP	EQ	IRL	11/16	USD	10.74	2.0	10.8	-17.3
GAMStar-World EqUSD Acc	GL	EQ	IRL	11/16	USD	2275.33	29.3	39.1	-8.9

المجموعة المالية - هيرميس
EFG HERMES

HERMES FINANCIAL MANAGEMENT (EGYPT) LIMITED, AMSALES@EFG-HERMES.COM
*Tel: 9714 363 4041 *Middle East & Developing Africa Fund*

EFG-Hermes Egypt	GL	EQ	BMU	10/30	USD	43.54	25.9	29.9	-14.4
EFG-Hermes MEDA*	GL	EQ	BMU	09/30	USD	24.16	15.3	-17.3	-10.4
EFG-Hermes Saudi Arabia Equity	EA	EQ	SAU	10/27	SAR	6.27	32.3	11.2	NS
EFG-Hermes Telecom	OT	EQ	BMU	09/30	USD	29.73	16.0	-0.1	-8.2

LLOYD GEORGE MANAGEMENT (HK) LTD
Suite 3808, One Exchange Square, HK: Tel. 852 2845 4433 Fax. 852 2845 3911

LG Antenna	GL	EQ	BMU	11/13	USD	58.83	72.3	75.0	-12.7
LG Asian Plus	AS	EQ	CYM	11/06	USD	54.16	43.3	41.3	-24.1
LG AsianSmallerCo's	AS	EQ	BMU	11/17	USD	92.89	68.4	87.7	-24.3
LG India	EA	EQ	MUS	11/12	USD	62.22	95.0	90.0	-14.6

Manulife WEALTH MANAGEMENT 宏利財富管理

MANULIFE ASSET MANAGEMENT TEL:(852)2108 1110
Internet:http://www.manulife.com.hk 47/F Manulife Plaza, Causeway Bay, Hong Kong

American Growth	US	EQ	LUX	11/18	USD	14.90	24.4	27.0	-13.5
American Growth AA	US	EQ	LUX	11/18	USD	0.86	24.1	27.6	NS
Asian Equity	AS	EQ	LUX	11/18	USD	2.43	60.1	72.3	-11.7
Asian Equity AA	AS	EQ	LUX	11/18	USD	0.78	60.5	72.6	NS
Asian Sm Cap Equity AA	AS	EQ	LUX	11/18	USD	1.12	81.9	98.6	-8.8
China Value A	AS	EQ	LUX	11/18	USD	7.14	62.7	78.0	-7.8
China Value AA	AS	EQ	LUX	11/18	USD	2.25	62.3	77.5	-8.0
Dragon Growth	AS	EQ	LUX	11/18	USD	1.65	67.1	80.4	-9.8
Dragon Growth AA	OT	OT	LUX	11/18	HKD	8.02	68.5	81.0	NS
Emg Eastrn Europe A	EU	EQ	LUX	11/18	USD	4.76	98.8	108.4	-16.2
Emg Eastrn Europe AA	EU	EQ	LUX	11/18	USD	2.05	98.0	107.5	-16.4
European Growth	EU	EQ	LUX	11/18	USD	9.43	44.2	60.3	-17.4
European Growth AA	EU	EQ	LUX	11/18	USD	0.67	44.1	60.1	NS
Global Contrarain AA	GL	EQ	LUX	11/18	USD	0.88	81.2	91.8	NS
Global Property AA	OT	EQ	LUX	11/18	USD	0.66	43.0	55.3	-17.2
Global Resources AA	OT	EQ	LUX	11/18	USD	1.12	56.9	92.8	-10.0
Healthcare AA	OT	EQ	LUX	11/18	USD	0.91	10.0	13.2	NS
India Equity AA	EA	EQ	LUX	11/18	USD	1.07	76.3	84.4	-17.7
International Growth	GL	EQ	LUX	11/18	USD	3.07	22.6	29.2	-15.3
International Growth AA	GL	EQ	LUX	11/18	USD	0.71	22.2	28.7	NS
Japanese Growth	JP	EQ	LUX	11/18	USD	2.65	3.1	11.7	-16.4
Japanese Growth AA	JP	EQ	LUX	11/18	USD	0.69	2.8	11.5	NS
Latin America Equity AA	GL	EQ	LUX	11/18	USD	1.28	99.3	103.3	-7.1
MGF Asia Value Dividend Equity Fund	OT	OT	Lux	11/18	USD	1.11	NS	NS	NS
Russia Equity AA	EE	EQ	LUX	11/18	USD	0.68	143.5	145.2	NS
Taiwan Equity AA	AS	EQ	LUX	11/18	USD	1.04	71.7	86.7	-4.0
Turkey Equity AA	EE	EQ	LUX	11/18	USD	0.69	92.7	118.2	NS
U.S. Bond AA	US	BD	LUX	11/18	USD	1.11	13.8	17.6	5.8
U.S. High Yield Bond AA	US	BD	LUX	11/18	USD	0.73	56.5	48.9	-9.2
U.S. Sm Cap Equity AA	US	EQ	LUX	11/18	USD	0.79	65.4	61.9	-15.8
U.S. Tsy Inf-ProtSec AA	OT	BD	LUX	11/18	USD	1.15	8.5	13.6	4.0

PT CIPTADANA ASSET MANAGEMENT
Tel: +62 21 25574 883 Fax: +62 21 25574 893 Website: www.ciptadana.com

Indonesian Grth Fund	EA	EQ	CYM	11/11	USD	119.46	107.1	112.7	-7.1

Sensible Asset Management
A Value Partners Group company

SENSIBLE ASSET MANAGEMENT LIMITED
www.samfund.com.hk Tel: (852) 2868 6848 Fax: (852) 2810 9948

Asia Value Formula Fd-B	AS	EQ	CYM	11/17	USD	7.94	85.1	102.0	-7.5

SOCIETE GENERALE
Asset Management

SG ASSET MANAGEMENT HTTP://WWW.SGAM.COM
SGAM Fund

Bonds Eur Hi Yld A	EU	BD	LUX	11/17	EUR	20.24	52.2	41.9	-2.8
Bonds EURO A	EU	BD	LUX	11/17	EUR	41.36	4.4	7.8	5.3
Bonds EUROPE A	EU	BD	LUX	11/17	EUR	39.52	3.8	6.7	4.4
Bonds US OppsCoreplus A	US	BD	LUX	11/17	USD	37.24	18.0	21.8	9.2
Bonds World A	GL	BD	LUX	11/17	USD	43.72	9.9	19.2	8.1
Eq. China A	AS	EQ	LUX	11/17	USD	24.59	64.5	84.4	-14.7
Eq. ConcentratedEuropeA	EU	EQ	LUX	11/17	EUR	26.66	29.7	30.9	-18.5
Eq. Eastern Europe A	EU	EQ	LUX	11/17	EUR	23.10	74.7	60.1	-26.5
Eq. Euroland A	EU	EQ	LUX	11/17	EUR	10.61	16.4	16.6	-21.2
Eq. EurolandCyclclsA	EU	EQ	LUX	11/17	EUR	17.27	26.3	29.6	-16.6
Eq. EurolandFinancialA	OT	EQ	LUX	11/17	EUR	11.85	42.0	34.9	-19.6
Eq. Glbl Emg Cty A	GL	EQ	LUX	11/17	USD	9.75	63.4	79.8	-15.4
Eq. Global A	GL	EQ	LUX	11/17	USD	27.90	33.4	38.2	-14.2
Eq. Global Energy A	OT	EQ	LUX	11/17	USD	18.44	30.2	32.6	-11.6
Eq. Global Technol A	OT	OT	LUX	04/24	USD	4.46	22.1	-29.7	-21.6
Eq. Gold Mines A	OT	EQ	LUX	11/17	USD	32.47	55.8	142.8	4.1
Eq. Pacific A	AS	EQ	LUX	11/17	USD	10.33	61.9	72.5	-13.9
Eq. US Lg Cap Gr A	US	EQ	LUX	11/17	USD	15.07	39.2	38.6	-12.9
Eq. US Rel Val A	US	EQ	LUX	11/17	USD	20.49	32.0	36.2	-15.3
Eq. US Sm Cap Val A	US	EQ	LUX	11/17	USD	15.33	18.6	24.5	-21.9
Money Market EURO A	EU	MM	LUX	11/16	EUR	27.38	1.0	1.4	2.9
Money Market USD A	US	MM	LUX	11/16	USD	15.83	0.5	0.8	2.0

المستثمر الوطني The National Investor

THE NATIONAL INVESTOR
TNI Tower | Zayed 1st Street Khalidia| Web:www.tni.ae

TNI Mena Real Estate Fund	OT	OT	BMU	11/12	USD	1059.47	12.7	NS	NS
TNI MENA Special Sits Fund	OT	OT	BMU	10/29	USD	1139.93	17.4	NS	NS
TNI UAE Blue Chip Fund	OT	OT	ARE	11/12	AED	6.39	39.4	-4.9	-22.9

Value Partners
Investing through discipline

WEBSITE: WWW.VALUEPARTNERS.COM.HK, TEL: (852) 2880 9263, FAX: (852) 2564 8487
**formerly known as China ABH Shares Fund*

Intel-Chin MainInd Foc	AS	EQ	CYM	11/16	USD	29.76	85.5	NS	-0.4
Intel-China Converg*	AS	EQ	CYM	11/16	USD	114.18	87.4	NS	-1.9
VP Classic - A	AS	EQ	CYM	11/17	USD	185.76	82.2	100.0	-4.3
VP Classic - B	AS	EQ	CYM	11/17	USD	86.63	81.4	98.9	-4.7
VP High Dividend Stk	AS	EQ	CYM	11/16	USD	44.82	80.4	87.7	-2.4

YUKI
Yuki Management & Research
Tel +81-3-5299-3277 www.yukijapan.co

YUKI INTERNATIONAL LIMITED
Tel +44-207-269 0203 www.yukifunds.com

YMR-N Series

YMR-N Growth Fund	OT	OT	IRL	11/17	JPY	8689.00	1.0	1.5	-30.0
YMR-N Small Cap Fund	OT	OT	IRL	11/17	JPY	6553.00	2.1	8.5	-29.9

Yuki 77 Series

Yuki 77 General	JP	EQ	IRL	11/18	JPY	5620.00	-4.1	-4.1	-30.9
Yuki 77 Growth	JP	EQ	IRL	11/18	JPY	5282.00	-10.3	-11.6	-36.4

Yuki Chugoku Series

Yuki Chugoku Jpn Gen	JP	EQ	IRL	11/18	JPY	6288.00	1.5	0.6	-27.8
Yuki Chugoku JpnLowP	JP	EQ	IRL	11/18	JPY	7072.00	-12.3	-10.0	-27.7

Yuki Hokuyo Japan Series

Yuki Hokuyo Jpn Gen	JP	EQ	IRL	11/18	JPY	4255.00	-5.5	-6.9	-31.0
Yuki Hokuyo Jpn Inc	JP	EQ	IRL	11/18	JPY	4900.00	-6.3	-6.3	-24.2
Yuki Hokuyo Jpn Sm Cap	JP	EQ	IRL	11/18	JPY	4745.00	1.7	8.3	-28.0

Yuki Mizuho Series

Yuki Mizuho Gen Jpn III	OT	OT	IRL	11/18	JPY	4016.00	-4.7	-7.7	-34.1
Yuki Mizuho Jpn Dyn Gro	OT	OT	IRL	11/18	JPY	4278.00	-3.2	-7.2	-34.4
Yuki Mizuho Jpn Exc 100	OT	OT	IRL	11/18	JPY	6324.00	4.7	2.6	-28.7
Yuki Mizuho Jpn Gen	OT	OT	IRL	11/18	JPY	7845.00	-0.9	-1.4	-30.0
Yuki Mizuho Jpn Gro	OT	OT	IRL	11/18	JPY	5876.00	-4.9	-3.6	-32.5
Yuki Mizuho Jpn Inc	OT	OT	IRL	11/18	JPY	7058.00	-10.8	-10.1	-27.3
Yuki Mizuho Jpn Lg Cap	OT	OT	IRL	11/18	JPY	4798.00	-2.9	-4.1	-29.2
Yuki Mizuho Jpn LowP	OT	OT	IRL	11/18	JPY	10637.00	-5.0	-1.3	-24.5
Yuki Mizuho Jpn PGth	OT	OT	IRL	11/18	JPY	7332.00	-2.8	-4.2	-33.9
Yuki Mizuho Jpn SmCp	OT	OT	IRL	11/18	JPY	6576.00	7.9	11.8	-30.0
Yuki Mizuho Jpn Val Sel	OT	OT	IRL	11/18	JPY	5261.00	2.5	4.9	-25.6
Yuki Mizuho Jpn YoungCo	OT	OT	IRL	11/18	JPY	2586.00	9.0	4.6	-35.0

Yuki Shizuoka Japan Series

Yuki Shizuoka General Japan	JP	EQ	IRL	11/18	JPY	4946.00	-1.8	-2.3	-31.3

For information about listing your funds, please contact: Carson Wong tel: +852 2831-6481; email: carson.wong@dowjones.com or Peter Jennings, tel: +44-20-7842-9674; email: peter.jennings@dowjones.com

Major players & benchmarks

At right, a look at the Asia Titans, the biggest and best known companies in Asia. Below, some of the Dow Jones Titans indexes of biggest and most liquid stocks in individual countries and regions

Giants around the world

In U.S.-dollar terms.

Dow Jones Country Titans

	INDEX PERFORMANCE		
	Previous session	Year-to-date	52-week
Brazil	-1.01%	**105.0%**	146.5%
Russia	0.80	**102.3**	118.7
China 88	0.02	**87.6**	72.3
Turkey	-1.35	**68.6**	106.8
Singapore	-0.64	**58.0**	67.0
Hong Kong	0.05	**55.1**	79.4
Sweden	0.20	**51.1**	68.9
South Korea	1.11	**46.6**	61.9
Netherlands	-0.71	**36.2**	41.2
Canada	0.13	**29.1**	36.9
Australia	0.34	**27.0**	34.0
Switzerland	0.07	**23.4**	30.7
Italy	-0.05	**22.6**	21.2
South Africa	0.01	**19.9**	39.3
U.K.	-0.12	**19.8**	32.9
France	-0.10	**19.4**	26.4
Spain	0.41	**18.1**	30.9
Germany	0.05	**14.9**	26.2
Japan	-0.86	**0.3**	3.8

Dow Jones Regional Sector Titans

Basic Res	0.48%	**82.0%**	121.6%
Tiger 50*	0.27	**59.3**	82.5
Technology	-0.45	**51.4**	67.1
EU Enlarged†-p	-0.61	**40.4**	41.3
Nordic 30 -p	-1.05	**39.3**	36.0
Asian 50	0.24	**30.4**	46.4
Global 50	0.50	**21.8**	32.6
Stoxx 50 -p	-0.37	**21.7**	19.2
Euro Stoxx 50 -p	-0.66	**18.8**	21.6
Arab 50	-0.69	**5.0**	4.1

*Asia excluding Japan †15 companies from the new EU countries; Cyprus, CzechRepublic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia.

Source: Dow Jones Indexes

Dow Jones Asia Titans: Wednesday's best and worst...

Company	Country	Industry	Market value, in billions of US$	Previous close, in local currency	STOCK PERFORMANCE Previous session	52-week	Three-year
East Japan Railway	Japan	Travel Tourism	$26.9	6,010	**3.26%**	-20.3%	-24.5%
Samsung Elec	South Korea	Semiconductors	96.0	750,000	**3.02**	71.2	13.6
QBE Ins Grp	Australia	Reinsurance	21.4	23.01	**2.54**	3.0	-9.9
Westfield Grp	Australia	Retail REITs	26.5	12.53	**2.54**	-11.0	-36.1
China Mobile (HK)	Hong Kong	Mobile Telecommunications	195.4	76.15	**2.49**	14.5	12.3
Sumitomo Mitsui Finl	Japan	Banks	$32.2	2,850	**-5.94%**	-9.2	-76.1
JFE Hldgs	Japan	Iron Steel	17.6	2,970	**-3.57**	39.1	-39.5
Japan Tobacco	Japan	Tobacco	27.3	253,700	**-2.95**	-15.4	-50.7
Nippon Steel	Japan	Iron Steel	23.0	326.00	**-2.69**	20.3	-33.1
Mizuho Financial Grp	Japan	Banks	26.2	166.00	**-2.35**	-21.9	-79.8

...And the rest of Asia's blue chips

Company/Country (Industry)	Market value, in billions (U.S)	Latest, in local currency	STOCK PERFORMANCE Latest	52-week	Three-year
KDDI Japan (Mobile Telecommunications)	23.2	468,000	**1.96%**	-21.9%	-38.7%
Shin-Etsu Chml Japan (Specialty Chemicals)	22.6	4,750	**1.93**	12.6	-35.7
Indl Comm Bk China Hong Kong (Banks)	75.2	7.02	**1.74**	101.2	70.0
Aus NZ Bk Australia (Banks)	51.6	22.16	**1.23**	60.4	-21.0
KB Fncl Group South Korea (Banks)	20.5	61,300	**1.16**	118.5	-14.2
POSCO South Korea (Iron Steel)	37.3	566,000	**1.07**	91.5	97.9
Takeda Pharm Japan (Pharmaceuticals)	31.7	3,580	**0.85**	-23.3	-52.1
Hon Hai Precision Ind Taiwan (Electrical Components Equipment)	36.7	138.00	**0.73**	173.6	-9.3
Seven I Hldgs Japan (Broadline Retailers)	20.0	1,971	**0.66**	-31.9	-43.7
China Life Ins Hong Kong (Life Insurance)	37.5	39.05	**0.64**	96.0	108.4
Shinhan Financial Grp South Korea (Banks)	19.8	48,100	**0.63**	70.2	7.7
Taiwan Smcndtr Mfg Taiwan (Semiconductors)	50.7	62.90	**0.48**	66.4	1.4
National Australia Bk Australia (Banks)	54.8	28.61	**0.39**	45.4	-25.5
BHP Billiton Australia (General Mining)	126.6	40.60	**0.25**	75.0	53.6
Tokyo Elec Power Japan (Conventional Electricity)	33.7	2,225	**0.23**	-24.6	-35.9
Tokio Marine Japan (Property Casualty Insurance)	21.3	2,415	**0.21**	-7.8	-38.1
Woolworths Australia (Food Retailers Wholesalers)	32.5	28.42	**0.07**	13.2	29.1
PetroChina Hong Kong (Integrated Oil Gas)	27.6	10.12	**...**	79.1	7.8
NTT DoCoMo Japan (Mobile Telecommunications)	62.4	130,700	**...**	-18.4	-27.0
Sony Japan (Consumer Electronics)	28.2	2,525	**...**	29.5	-46.2

Company/Country (Industry)	Market value, in billions (U.S)	Latest, in local currency	STOCK PERFORMANCE Latest	52-week	Three-year
Westpac Bking Australia (Banks)	66.7	24.66	**-0.16%**	51.8%	2.7%
Woodside Petroleum Australia (Exploration Production)	32.6	49.52	**-0.16**	46.0	33.9
Kansai Elec Power Japan (Conventional Electricity)	21.7	2,030	**-0.25**	-20.7	-28.3
Nippon T&T Japan (Fixed Line Telecommunications)	55.8	3,760	**-0.27**	-12.8	-33.7
Canon Japan (Electronic Office Equipment)	47.9	3,460	**-0.29**	23.4	-43.2
Hutchison Whampoa Hong Kong (Diversified Industrials)	30.0	54.55	**-0.55**	54.1	-26.7
Toyota Motor Japan (Automobiles)	125.3	3,550	**-0.56**	16.4	-49.4
Mitsubishi UFJ Finl Grp Japan (Banks)	62.7	484.00	**-0.62**	-5.3	-65.9
Commonwealth Bk of Australia Australia (Banks)	73.8	52.30	**-0.65**	69.1	9.8
China Constr Bk Hong Kong (Banks)	212.8	7.34	**-0.68**	95.7	68.0
Sun Hung Kai Prop Hong Kong (Real Estate Holding Development)	38.6	116.80	**-0.76**	118.9	28.8
Cheung Kong (Hldgs) Hong Kong (Real Estate Holding Development)	28.9	96.85	**-0.77**	49.0	4.5
Nissan Motor Japan (Automobiles)	32.6	643.00	**-0.77**	85.8	-54.7
Nintendo Japan (Toys)	32.3	22,550	**-0.88**	-23.1	-13.9
CNOOC Hong Kong (Exploration Production)	73.4	12.74	**-0.93**	130.0	88.2
RioZim Ltd Australia (General Mining)	40.9	72.60	**-1.09**	39.6	23.6
Mitsui Japan (Industrial Suppliers)	23.4	1,152	**-1.37**	49.0	-24.4
Honda Motor Japan (Automobiles)	58.2	2,840	**-1.39**	38.9	-30.9
Panasonic Japan (Consumer Electronics)	27.3	1,176	**-2.08**	-19.6	-48.3
Mitsubishi Japan (Industrial Suppliers)	35.7	1,940	**-2.12**	73.5	-4.2

Sources: Dow Jones Indexes; WSJ Market Data Group

Tracking credit markets & dealmakers

— NOTICE TO READERS —
All statistics published in The Wall Street Journal Asia from markets outside the Asian-Pacific region reflect preliminary data.

WSJ.com

Follow the markets throughout the day with updated stock quotes, news and commentary at **WSJ.com/Asia**.
Also, receive email alerts that summarize the day's trading in Europe and Asia. To sign up, go to **WSJ.com/OnlineToday**

Hedge funds

Dow Jones Hedge Benchmark	TOTAL RETURN for rolling periods, net of fees* One week	One month	One quarter	Year to date	One year
Merger Arbitrage	0.23%	0.28%	1.7%	7.2%	7.2%
Event Driven	-0.07	0.13	4.2	13.4	4.0
Equity Long/Short	-0.05	-1.21	0.5	3.3	-3.7

*Estimates as of 11/16/09, after fees; Source: www.djhedgefundindexes.com

Credit derivatives

Spreads on credit derivatives are one way the market rates creditworthiness. Regions that are treading in rough waters can see spreads swing toward the maximum—and vice versa. Indexes below are for five-year swaps.

Markit iTraxx Indexes

Index: series/version	Mid-spread, in pct. pts.	Mid-price	Coupon	SPREAD RANGE, in pct. pts. since most recent roll Maximum	Minimum	Average
Europe: 12/1	0.83	100.79%	0.01%	1.00	0.78	0.86
Eur. High Volatility: 12/1	1.37	98.28	0.01	1.76	1.34	1.46
Europe Crossover: 12/1	5.19	99.23	0.05	6.15	4.87	5.36
Asia ex-Japan IG: 12/1	1.05	99.77	0.01	1.26	0.96	1.10
Japan: 12/1	1.34	98.36	0.01	1.53	0.99	1.27

Note: Data as of November 17

Spreads

Spreads on five-year swaps for corporate debt; based on Markit iTraxx indexes.

In percentage points

Source: Markit Group

Credit-default swaps: Asian companies

At its most basic, the pricing of credit-default swaps measures how much a buyer has to pay to purchase-and how much a seller demands to sell-protection from default on an issuer's debt. The snapshot below gives a sense which way the market was moving yesterday.

Showing the biggest improvement...

	Yesterday	CHANGE, in basis points Yesterday	Five-day	28-day
IHI	267	**-9**	47	50
Sanyo Shinpan Fin	765	**-7**	–47	–417
Ptt Pub	89	**-7**	–8	1
Swire Pac	79	**-6**	–3	–5
Victor Co of Japan	1834	**-6**	–45	103
Asahi Kasei	38	**-4**	–4	–4
Nomura Hldgs	166	**-4**	3	15
Softbank	443	**-4**	–11	–15
Fukuyama Transporting	139	**-4**	–6	–3
Shin Han Bk	111	**-3**	–7	1

And the most deterioration

	Yesterday	CHANGE, in basis points Yesterday	Five-day	28-day
Obayashi	186	**3**	35	59
Mitsui Fudosan	78	**3**	3	13
Marui Group	226	**4**	46	66
Hitachi	99	**4**	10	24
Shimizu	144	**4**	17	32
Orix	336	**6**	...	–105
Kajima	244	**9**	43	67
Aeon	141	**11**	27	45
Taisei	340	**23**	50	74
Promise	781	**31**	–24	–419

Source: Markit Group

Behind Asia's deals: Bank revenue rankings, Global

Behind every IPO, bond offering, merger deal or syndicated loan is one or more investment banks. Here are investment banks ranked by year-to-date revenues from recent deals.

	Revenue, in millions	Market share	PERCENTAGE OF TOTAL REVENUE Equity capital markets	Debt capital markets	Mergers & acquisitions	Loans
JPMorgan	$4,725	9.7%	46%	28%	20%	5%
Goldman Sachs	3,311	6.8	46	21	31	1
Bank of America Merrill Lynch	3,211	6.6	37	35	19	9
Morgan Stanley	2,976	6.1	47	24	28	1
Citi	2,739	5.6	30	40	23	7
Credit Suisse	2,530	5.2	44	34	20	2
Deutsche Bank	2,383	4.9	35	41	19	4
UBS	2,367	4.9	45	26	27	2
Barclays Capital	1,718	3.5	21	57	16	6

Source: Dealogic

GLOBAL MARKETS LINEUP

Commodities

Prices of futures contracts with the most open interest

EXCHANGE LEGEND: CBOT: Chicago Board of Trade; **CME:** Chicago Mercantile Exchange; **NYBOT:** New York Board of Trade; **MDEX:** Bursa Malaysia Derivatives Berhad; **LIFFE:** London International Financial Futures Exchange; **LME:** London Mercantile Exchange; **NYMEX:** New York Mercantile Exchange; **ICE:** IntercontinentalExchange

	Commodity	Exchange	Last price	ONE-DAY CHANGE Net	ONE-DAY CHANGE Percentage	Contract high	Contract low
	Corn (cents/bu.)	CBOT	**422.75**	5.25	**1.26%**	712.25	315.50
	Soybeans (cents/bu.)	CBOT	**1043.50**	14.00	**1.36**	1,315.00	794.00
	Wheat (cents/bu.)	CBOT	**600.00**	3.50	**0.59**	1,029.25	459.00
	Live cattle (cents/lb.)	CME	**85.650**	0.525	**0.62**	108.600	84.150
	Cocoa ($/ton)	ICE-US	**3,217**	80	**2.55**	3,439	1,994
	Coffee (cents/lb.)	ICE-US	**141.25**	2.40	**1.73**	188.65	115.00
	Sugar (cents/lb.)	ICE-US	**23.41**	0.31	**1.34**	26.25	11.91
	Cotton (cents/lb.)	ICE-US	**73.30**	1.33	**1.85**	84.00	49.67
	Crude palm oil (ringgit/ton)	MDEX	**2,386.00**	66	**2.84**	4,200	1,487
	Cocoa (pounds/ton)	LIFFE	**2,114**	35	**1.68**	2,250	1,475
	Robusta coffee ($/ton)	LIFFE	**1,345**	17	**1.28**	1,955	1,295
	Copper (cents/lb.)	COMEX	**316.60**	3.30	**1.05**	365.00	135.50
	Gold ($/troy oz.)	COMEX	**1149.40**	10.60	**0.93**	1,151.20	494.00
	Silver (cents/troy oz.)	COMEX	**1864.00**	25.30	**1.38**	2,200.00	740.00
	Aluminum ($/ton)	LME	**2,069.00**	32.50	**1.60**	2,069.00	1,288.00
	Tin ($/ton)	LME	**15,200.00**	405.00	**2.74**	15,700.00	9,750.00
	Copper ($/ton)	LME	**6,950.00**	160.00	**2.36**	6,950.00	2,815.00
	Lead ($/ton)	LME	**2,429.00**	72.50	**3.08**	2,459.50	870.00
	Zinc ($/ton)	LME	**2,275.50**	16.50	**0.73**	2,344.00	1,065.00
	Nickel ($/ton)	LME	**17,345**	645	**3.86**	21,150	9,175
	Crude oil ($/bbl.)	NYMEX	**79.70**	0.56	**0.71**	139.00	47.31
	Heating oil ($/gal.)	NYMEX	**2.1044**	0.0101	**0.48**	4.1847	1.3640
	RBOB gasoline ($/gal.)	NYMEX	**2.0590**	0.0236	**1.16**	2.7100	1.1525
	Natural gas ($/mmBtu)	NYMEX	**4.795**	-0.112	**-2.28%**	12.920	4.674
	Brent crude ($/bbl.)	ICE-EU	**79.75**	0.78	**0.99**	108.19	48.19
	Gas oil ($/ton)	ICE-EU	**652.50**	10.00	**1.56**	790.00	443.50

Source: Thomson Reuters; WSJ Market Data Group

WSJ.com

Follow the markets throughout the day with updated stock quotes, news and commentary at **WSJ.com/Asia**. Also, receive email alerts that summarize the day's trading in Europe and Asia. To sign up, go to **WSJ.com/OnlineToday**

Currencies

London close on Nov. 18

AMERICAS	Per euro	In euros	Per U.S. dollar	In U.S. dollars
Argentina peso-a	5.7072	0.1752	3.8123	0.2623
Brazil real	2.5571	0.3911	1.7081	0.5854
Canada dollar	1.5684	0.6376	1.0477	0.9545
1-mo. forward	1.5683	0.6376	1.0476	0.9546
3-mos. forward	1.5684	0.6376	1.0476	0.9545
6-mos. forward	1.5686	0.6375	1.0478	0.9544
Chile peso	736.47	0.001358	491.95	0.002033
Colombia peso	2923.74	0.0003420	1953.00	0.0005120
Ecuador US dollar-f	1.4971	0.6680	1	1
Mexico peso-a	19.4112	0.0515	12.9663	0.0771
Peru sol	4.2868	0.2333	2.8635	0.3492
Uruguay peso-e	30.764	0.0325	20.550	0.0487
U.S. dollar	1.4971	0.6680	1	1
Venezuela bolivar	3.21	0.311079	2.15	0.465701
ASIA-PACIFIC				
Australia dollar	1.6106	0.6209	1.0758	0.9295
China yuan	10.2203	0.0978	6.8270	0.1465
Hong Kong dollar	11.6025	0.0862	7.7503	0.1290
India rupee	69.0514	0.0145	46.1250	0.0217
Indonesia rupiah	14050	0.0000712	9385	0.0001066
Japan yen	133.60	0.007485	89.24	0.011206
1-mo. forward	133.58	0.007486	89.23	0.011207
3-mos. forward	133.53	0.007489	89.20	0.011211
6-mos. forward	133.45	0.007493	89.14	0.011218
Malaysia ringgit-c	5.0391	0.1984	3.3660	0.2971
New Zealand dollar	2.0077	0.4981	1.3411	0.7457
Pakistan rupee	124.555	0.0080	83.200	0.0120
Philippines peso	69.950	0.0143	46.725	0.0214
Singapore dollar	2.0709	0.4829	1.3833	0.7229
South Korea won	1727.60	0.0005788	1154.00	0.0008666
Taiwan dollar	48.070	0.02080	32.110	0.03114
Thailand baht	49.635	0.02015	33.155	0.03016

EUROPE	Per euro	In euros	Per U.S. dollar	In U.S. dollars
Euro zone euro	1	1	0.6680	1.4971
1-mo. forward	1.0001	0.9999	0.6681	1.4968
3-mos. forward	1.0005	0.9995	0.6683	1.4963
6-mos. forward	1.0011	0.9989	0.6687	1.4953
Czech Rep. koruna-b	25.483	0.0392	17.022	0.0587
Denmark krone	7.4407	0.1344	4.9703	0.2012
Hungary forint	265.94	0.003760	177.65	0.005629
Norway krone	8.3615	0.1196	5.5853	0.1790
Poland zloty	4.1020	0.2438	2.7401	0.3650
Russia ruble-d	42.947	0.02328	28.688	0.03486
Sweden krona	10.2259	0.0978	6.8307	0.1464
Switzerland franc	1.5110	0.6618	1.0094	0.9907
1-mo. forward	1.5108	0.6619	1.0092	0.9909
3-mos. forward	1.5102	0.6622	1.0088	0.9913
6-mos. forward	1.5094	0.6625	1.0083	0.9918
Turkey lira	2.2149	0.4515	1.4795	0.6759
U.K. pound	0.8931	1.1196	0.5966	1.6761
1-mo. forward	0.8933	1.1194	0.5967	1.6758
3-mos. forward	0.8937	1.1190	0.5970	1.6751
6-mos. forward	0.8942	1.1184	0.5973	1.6742
MIDDLE EAST/AFRICA				
Bahrain dinar	0.5644	1.7719	0.3770	2.6526
Egypt pound-a	8.1696	0.1224	5.4571	0.1832
Israel shekel	5.6461	0.1771	3.7715	0.2651
Jordan dinar	1.0595	0.9438	0.7078	1.4129
Kuwait dinar	0.4270	2.3417	0.2853	3.5057
Lebanon pound	2249.32	0.0004446	1502.50	0.0006656
Saudi Arabia riyal	5.6141	0.1781	3.7501	0.2667
South Africa rand	11.0988	0.0901	7.4138	0.1349
United Arab dirham	5.4987	0.1819	3.6730	0.2723
SDR -f	0.9336	1.0712	0.6236	1.6036

a-floating rate b-commercial rate c-government rate c-commercial rate d-Russian Central Bank rate f-Special Drawing Rights from the International Monetary Fund ; based on exchange rates for U.S., British and Japanese currencies.
Note: Based on trading among banks in amounts of $1 million and more, as quoted by Thomson Reuters.

Major stock market indexes

Stock indexes from around the world, grouped by region. Shown in local-currency terms.

Price-to-earnings ratio*	Region/Country	Index	PREVIOUS SESSION Close	PREVIOUS SESSION Net change	PREVIOUS SESSION Percentage change	PERFORMANCE Yr.-to-date	PERFORMANCE 52-wk.
45	**ASIA-PACIFIC**	DJ Asia-Pacific	121.07	-0.04	**-0.03%**	29.4%	45.5%
...	Australia	SPX/ASX 200	4739.0	9.6	**0.20%**	27.3	35.4
...	China	CBN 600	29360.54	27.80	**0.09**	98.9	88.0
21	Hong Kong	Hang Seng	22840.33	-73.82	**-0.32**	58.8	78.2
19	India	Sensex	16998.78	-51.87	**-0.30**	76.2	93.7
...	Indonesia	Jakarta Composite	2484.229	10.440	**0.42**	83.3	110.5
...	Japan	Nikkei Stock Average	9676.80	-53.13	**-0.55**	9.2	17.0
...		Topix	850.06	-6.94	**-0.81**	-1.1	2.7
...	Malaysia	Kuala Lumpur Composite	1275.10	-4.85	**-0.38**	45.4	45.3
...	New Zealand	NZSX-50	3128.402	-3.113	**-0.10**	15.2	15.6
8	Pakistan	KSE 100	9144.76	-60.22	**-0.65**	55.9	-0.4
16	Philippines	Manila Composite	3052.61	20.52	**0.68**	63.0	60.0
...	Singapore	Straits Times	2745.04	-19.91	**-0.72**	55.8	64.8
11	South Korea	Kospi	1603.97	17.99	**1.13**	42.6	57.7
21	Taiwan	Weighted	7766.69	33.48	**0.43**	69.2	81.3
10	Thailand	SET	707.26	0.71	**0.10**	57.2	73.1
50	**EUROPE**	DJ Stoxx 600	249.87	-0.49	**-0.20**	26.9	29.0
22		DJ Stoxx 50	2530.08	-6.76	**-0.27**	22.5	24.5
40	**Euro Zone**	DJ Euro Stoxx	271.72	0.68	**0.25%**	22.0%	29.1%
18		DJ Euro Stoxx 50	2912.77	5.85	**0.20**	18.8	26.9
19	Denmark	OMX Copenhagen	317.15	2.43	**0.77**	40.2	37.1
19	Finland	OMX Helsinki	6404.51	71.22	**1.12**	18.5	19.0
19	France	CAC-40	3828.16	-0.90	**-0.02%**	19.0	24.0
22	Germany	DAX	5787.61	9.18	**0.16**	20.3	32.9
17	Italy	FTSE MIB	23334.74	-46.44	**-0.20**	19.9	19.5
...	Netherlands	AEX	319.42	-1.66	**-0.52**	29.9	34.1
...	Russia	RTSI	1486.62	13.86	**0.94**	135.3	145.4
11	Spain	IBEX 35	12034.4	75.0	**0.63**	30.9	46.6
14	Switzerland	SMI	6368.97	-7.43	**-0.12**	15.1	15.3
...	Turkey	ISE National 100	46419.87	-823.36	**-1.74**	72.8	111.7
14	U.K.	FTSE 100	5342.13	-3.80	**-0.07**	20.5	33.4
1	**AMERICAS**	DJ Americas	292.66	-1.04	**-0.35**	29.4	42.2
...	Brazil	Bovespa	67467.33	61.35	**0.09**	79.7	100.6
...	Argentina	Merval	2276.08	-4.72	**-0.21**	110.8	145.6
20	Mexico	IPC	31173.83	-226.37	**-0.72**	39.3	67.4

*P/E ratios use trailing 12-months, as-reported earnings
European and Americas index data are as of 12:00 p.m. ET.

Sources: Thomson Reuters; WSJ Market Data Group

Reuters Group PLC is the primary data provider for several statistical tables in The Wall Street Journal, including foreign stock quotations, futures and futures options prices, and foreign exchange tables. Reuters real-time data feeds are used to calculate various Dow Jones Indexes.

Dow Jones and Dow Jones Stoxx Indexes

Dividend yield*	Price-to-earnings ratio*	Dows Jones Index	Last	Net change	PERFORMANCE Daily	PERFORMANCE Year-to-date	PERFORMANCE 52-wk.	Three-yr., annualized
2.19%	2	**DJ Global Index**	226.29	-0.03	**-0.03%**	48.2%	-0.0%	-5.5%
1.94	20	**Global DOW**	1982.31	11.62	**11.62**	47.7	0.6	-1.1
2.50	95	**Asia/Pacific 600**	112.74	-0.27	**-0.27**	32.1	-0.2	-6.5
1.76	0	**Emerging Markets**	278.09	1.52	**1.52**	104.7	0.6	5.8
2.25	45	**Asia/Pacific**	121.07	-0.03	**-0.03**	45.5	-0.0	-4.2
2.49	18	**Asia/Pacific ex-Japan**	312.28	1.17	**1.17**	93.2	0.4	2.5
2.71	25	**Southeast Asia**	155.00	0.28	**0.28**	87.6	0.2	3.9
0.82	34	**CBN China 600** -c	29360.54	27.79	**27.79**	88.0	0.1	33.8
0.84	37	**Shanghai**	391.75	0.71	**0.71**	86.8	0.2	33.3
0.58	57	**Shenzhen**	414.36	0.80	**0.80**	115.6	0.2	39.3
2.07	21	**China Offshore 50**	4310.29	-3.18	**-3.18**	94.5	-0.1	14.6
8.88	10	**Australia LPT** -c, d	1161.60	17.34	**17.34**	-0.4	1.5	-19.2

Dividend yield*	Price-to-earnings ratio*	Dows Jones Index	Last	Net change	PERFORMANCE Daily	PERFORMANCE Year-to-date	PERFORMANCE 52-wk.	Three-yr., annualized
2.15%	3	**Islamic Market**	1948.80	-1.06	**-1.06%**	47.5%	-0.1%	-1.3%
2.47	16	**Islamic Market 100**	2098.81	-2.24	**-2.24**	32.5	-0.1	-2.3
9.78	20	**Bahrain**	120.28	-0.26	**-0.26**	-29.7	-0.2	-13.2
3.00	29	**Kuwait**	186.03	-2.94	**-2.94**	-23.2	-1.6	-18.3
2.61	19	**Sustainability**	1023.29	1.46	**1.46**	48.2	0.1	-6.0
2.81	50	**Stoxx 600 -p**	277.49	-3.67	**-3.67**	45.5	-1.3	-6.8
4.95	13	**Stoxx Select Div 30 -p**	1865.04	-34.10	**-34.10**	43.7	-1.8	-18.3
4.20	16	**Euro Stoxx Sel Div 30 -p**	2187.55	-38.24	**-38.24**	54.8	-1.7	-14.2
1.77	30	**DJ U.S. TSM**	11325.72	-59.89	**-59.89**	41.3	-0.5	-7.0
4.05	15	**U.S. Select Dividend -d**	633.05	-3.31	**-3.31**	19.1	-0.5	-10.3
4.72		**U.S. REIT**	137.89	0.37	**0.37**	57.1	0.3	-18.8
		DJ-UBS Commodity -p	136.42	0.33	**0.33**	11.5	0.2	-6.5

*Fundamentals are based on data in U.S. dollar. Footnotes: c-in local currency. d-dividends reinvested. p-previous day. Note: All data as of 11:30 a.m. ET.

Source: Dow Jones Indexes

Cross rates

U.S.-dollar and euro foreign-exchange rates in global trading

U.S.	US$	A$	£	C$	YUAN	EURO	HK$	RUPEE	RUPIAH	YEN	NZ$	WON	RINGGIT	PH. PESO	S$	S FRANC	TW$	BAHT
		1.076	0.597	1.048	6.827	0.668	7.750	46.125	9385.27	89.240	1.341	1154.00	3.366	46.725	1.383	1.009	32.110	33.155
Australia	0.930		0.555	0.974	6.346	0.621	7.204	42.873	8723.60	82.949	1.247	1072.64	3.129	43.431	1.286	0.938	29.846	30.818
Britain	1.676	1.803		1.756	11.443	1.120	12.991	77.312	15731.11	149.580	2.248	1934.28	5.642	78.318	2.319	1.692	53.821	55.573
Canada	0.955	1.027	0.569		6.516	0.638	7.398	44.027	8958.40	85.181	1.280	1101.51	3.213	44.600	1.320	0.963	30.650	31.647
China	0.1465	0.158	0.087	0.153		0.098	1.135	6.756	1374.74	13.072	0.196	169.04	0.493	6.844	0.203	0.148	4.703	4.856
Euro	1.497	1.611	0.893	1.568	10.220		11.603	69.051	14050.21	133.597	2.008	1727.60	5.039	69.950	2.071	1.511	48.070	49.635
Hong Kong	0.129	0.139	0.077	0.135	0.881	0.086		5.951	1210.96	11.514	0.173	148.90	0.434	6.029	0.178	0.130	4.143	4.278
India	0.0217	0.0233	0.0129	0.0227	0.1480	0.0145	0.1680		203.47	1.9347	0.0291	25.02	0.0730	1.0130	0.0300	0.0219	0.6962	0.7188
Indonesia	0.0001	0.0001	0.0001	0.0001	0.0007	0.0001	0.0008	0.0049		0.0095	0.0001	0.12	0.0004	0.0050	0.0001	0.0001	0.0034	0.0035
Japan	0.011	0.012	0.007	0.012	0.077	0.007	0.087	0.517	105.17		0.015	12.93	0.038	0.524	0.016	0.011	0.360	0.372
New Zealand	0.746	0.802	0.445	0.781	5.091	0.498	5.779	34.393	6998.12	66.542		860.48	2.510	34.840	1.031	0.753	23.943	24.722
South Korea	0.0009	0.0009	0.0005	0.0009	0.0059	0.0006	0.0067	0.0400	8.13	0.0773	0.0012		0.0029	0.0405	0.0012	0.0009	0.0278	0.0287
Malaysia	0.297	0.320	0.177	0.311	2.028	0.198	2.303	13.703	2788.25	26.512	0.398	342.84		13.881	0.411	0.300	9.540	9.850
Philippines	0.021	0.023	0.013	0.022	0.146	0.014	0.166	0.987	200.86	1.910	0.029	24.70	0.072		0.030	0.022	0.687	0.710
Singapore	0.723	0.778	0.431	0.757	4.935	0.483	5.603	33.344	6784.69	64.512	0.970	834.24	2.433	33.778		0.730	23.213	23.968
Switzerland	0.991	1.066	0.591	1.038	6.764	0.662	7.678	45.698	9298.33	88.413	1.329	1143.31	3.335	46.292	1.370		31.813	32.848
Taiwan	0.031	0.034	0.019	0.033	0.213	0.021	0.241	1.436	292.28	2.779	0.042	35.94	0.105	1.455	0.043	0.031		1.033
Thailand	0.030	0.032	0.018	0.032	0.206	0.020	0.234	1.391	283.07	2.692	0.040	34.81	0.102	1.409	0.042	0.030	0.968	

Source: Thomson Reuters via WSJ Market Data Group

MSCI indexes

Developed and emerging-market regional and country indexes from MSCI Barra as of November. 18, 2009

Dividend yield	Price-to-earnings ratio	Morgan Stanley Index	Last	LOCAL-CURRENCY PERFORMANCE Daily	YTD	52-wk.
2.50%	23	**ALL COUNTRY (AC) WORLD***	299.32	-0.46%	**31.5%**	26.8%
2.60	24	**World (Developed Markets)**	1,169.56	-0.50	**27.1**	22.2
1.90	1638	**World Small Cap**	188.04	-0.70	**40.1**	35.5
2.70	20	**Kokusai (World ex-Japan)**	1,163.56	-0.51	**30.4**	23.7
3.10	25	**EAFE**	1,594.39	-1.12	**28.8**	28.7
2.30	19	**Emerging Markets (EM)**	980.40	-0.21	**72.9**	71.8
2.70	24	**AC ASIA PACIFIC EX-JAPAN**	412.40	-0.67	**66.7**	69.2
2.20	25	**AC Far East ex-Japan**	444.36	-0.22	**63.0**	69.2
1.30	40	**Japan**	533.85	-0.25	**0.7**	-0.9
2.10	20	**China**	67.15	0.13	**64.6**	89.8
0.90	37	**China A (China Domestic)**	3,435.00	0.07	**98.0**	119.3
2.60	23	**Hong Kong**	10,224.55	-0.50	**56.0**	59.7
1.00	19	**India**	688.24	0.24	**86.4**	79.8
0.90	24	**Korea**	451.65	-0.45	**47.1**	42.8
2.60	21	**Malaysia**	474.12	0.20	**47.6**	49.8
3.30	16	**Singapore**	1,549.39	-0.49	**55.4**	55.2
2.70	377	**Taiwan**	281.43	-0.77	**62.3**	51.2
3.10	19	**Thailand**	289.15	-0.12	**56.2**	69.0
4.10	22	**Australia**	972.31	-0.54	**27.1**	17.3
5.10	17	**New Zealand**	86.23	-1.57	**13.6**	9.9
1.90	32	**US BROAD MARKET**	1,225.42	0.08	**24.7**	16.3
3.50	17	**EUROPE**	87.07	-0.36	**25.4**	11.6

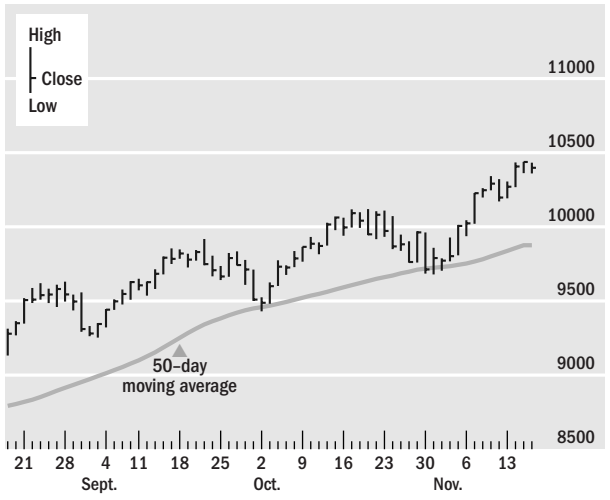
*Twenty-three developed and 26 emerging markets

Source: MSCI Barra

SCANNING THE GLOBE

Dow Jones Industrial Average P/E: 18

LAST: **10398.12** ▼ 39.30, or 0.38%
YEAR TO DATE: ▲ **1,621.73, or 18.5%**
OVER 52 WEEKS ▲ **2,400.84, or 30.0%**

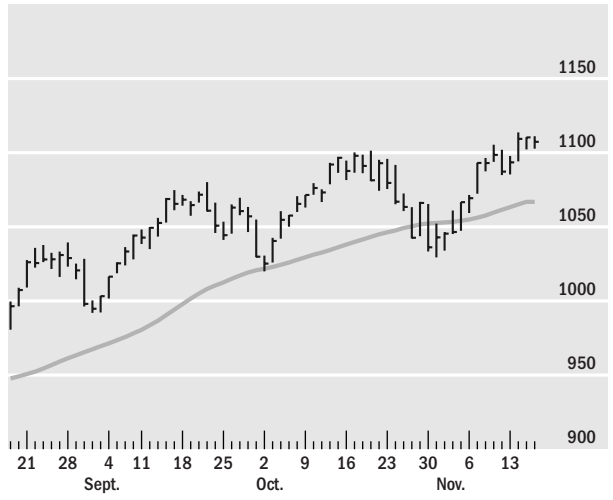


Nasdaq Composite Index P/E: 44*

LAST: **2187.70** ▼ 16.08, or 0.73%
YEAR TO DATE: ▲ **610.67, or 38.7%**
OVER 52 WEEKS ▲ **801.28, or 57.8%**

S&P 500 Index P/E: 71

LAST: **1107.32** ▼ 3.00, or 0.27%
YEAR TO DATE: ▲ **204.07, or 22.6%**
OVER 52 WEEKS ▲ **300.74, or 37.3%**



*Price-to-earnings ratio for the Nasdaq 100 Note: Price-to-earnings ratios are for trailing 12 months

Sources: WSJ Market Data Group; Birinyi Associates

DJIA component stocks

Stock	Symbol	Volume, in millions	Latest	CHANGE Points	CHANGE Percentage
AT&T	T	**7.50**	$26.23	-0.05	**-0.19%**
Alcoa	AA	**8.80**	13.69	-0.07	**-0.51**
AmExpress	AXP	**3.50**	41.47	0.11	**0.25**
BankAm	BAC	**99.80**	16.23	0.46	**2.93**
Boeing	BA	**1.90**	52.07	-0.46	**-0.88**
Caterpillar	CAT	**2.90**	59.82	-0.06	**-0.10**
Chevron	CVX	**2.70**	78.51	-0.30	**-0.38**
CiscoSys	CSCO	**12.50**	23.86	-0.23	**-0.96**
CocaCola	KO	**2.20**	56.62	-0.25	**-0.44**
Disney	DIS	**3.40**	30.45	-0.42	**-1.36**
DuPont	DD	**1.90**	35.06	-0.23	**-0.65**
ExxonMobil	XOM	**7.00**	75.15	0.12	**0.16**
GenElec	GE	**24.70**	16.08	0.06	**0.37**
HewlettPk	HPQ	**7.40**	50.56	-0.76	**-1.48**
HomeDpt	HD	**8.80**	27.05	0.06	**0.22**
Intel	INTC	**18.10**	20.07	-0.25	**-1.23**
IBM	IBM	**1.90**	128.11	-0.52	**-0.40**
JPMorgChas	JPM	**9.50**	43.33	0.17	**0.39**
JohnsJohns	JNJ	**3.50**	62.07	-0.11	**-0.17**
KftFoods	KFT	**4.80**	27.48	-0.16	**-0.58**
McDonalds	MCD	**3.20**	63.82	0.25	**0.39**
Merck	MRK	**8.50**	34.37	0.08	**0.23**
Microsoft	MSFT	**31.80**	30.03	0.03	**0.10**
Pfizer	PFE	**14.50**	17.98	0.04	**0.22**
ProctGamb	PG	**4.10**	62.22	-0.09	**-0.14**
3M	MMM	**0.90**	77.67	-0.60	**-0.77**
TravelersCos	TRV	**1.50**	53.17	0.02	**0.04**
UnitedTech	UTX	**2.50**	68.79	-0.75	**-1.09**
Verizon	VZ	**4.10**	30.68	0.03	**0.10**
WalMart	WMT	**5.50**	53.92	0.26	**0.48**

U.S. stocks: most active...

Stock	Symbol	Volume, in millions	Latest	CHANGE Points	CHANGE Percentage
Citigroup	C	**199.7**	$4.27	$0.03	**0.71%**
BankAm	BAC	**101.9**	16.23	0.46	**2.92**
SPDR S&P 500	SPY	**81.9**	111.11	–0.23	**–0.21**
FordMotor	F	**69.0**	8.97	–0.01	**–0.11**
PwrShrs QQQ	QQQQ	**60.0**	44.27	–0.33	**–0.74**
AmbacFnl	ABK	**58.7**	1.01	0.31	**44.29**
SPDR FnclSelSct	XLF	**46.3**	14.96	0.10	**0.67**
AdvMicro	AMD	**42.3**	7.18	0.56	**8.46**
SprintNextel	S	**39.3**	3.66	–0.04	**–1.03**
DrxFinancBear 3x	FAZ	**34.6**	18.75	–0.32	**–1.68**
RegionsFin	RF	**32.3**	5.41	0.23	**4.44**
Microsoft	MSFT	**31.9**	30.01	0.01	**0.05**
iShrRu2000	IWM	**30.6**	59.87	–0.41	**–0.68**
FannieMae	FNM	**27.9**	1.04	0.04	**4.00**
GenElec	GE	**24.9**	16.09	0.07	**0.44**

Biggest gainers...

AmbacFnl 5.875	AKT	**355.4**	$5.65	$1.50	**36.19%**
AmbacFnl 5.95	AKF	**134.6**	5.81	1.46	**33.57**
Fortinet	FTNT	**7,962.2**	16.69	4.19	**33.52**
Netlist	NLST	**9,067.5**	4.98	0.88	**21.46**
AmbacFnlUn	ABKZ	**5.7**	13.30	2.34	**21.30**

...Biggest losers

SecNtlFnl A	SNFCA	**2.5**	$3.40	-$0.50	**-12.82%**
Nanometrc	NANO	**1,974.0**	11.42	-1.66	**-12.69**
SeanergyMar	SHIP	**5.6**	3.50	-0.49	**-12.28**
HurrayHldg	HRAY	**35.9**	4.88	-0.59	**-10.79**
ConcurTch	CNQR	**1,807.6**	36.85	-4.23	**-10.30**

ADRs of Asian companies*

52-WEEK High	52-WEEK Low	Stock	Symbol	Volume, in OOOs	Latest	CHANGE Points	CHANGE Percentage
$11.39	$5.53	**Taiwan Semi**	TSM	**4,383.3**	$10.79	0.10	**0.94%**
4.63	1.36	**Adv Semi Engrg**	ASX	**1,870.1**	4.40	-0.16	**-3.51**
3.87	1.62	**Utd Microelectronics**	UMC	**1,748.0**	3.81	0.01	**0.26**
76.49	24.53	**BHP Billiton**	BHP	**1,581.1**	76.14	0.02	**0.03**
11.73	4.78	**AU Optrncs**	AUO	**1,487.3**	9.81	-0.23	**-2.29**
15.95	8.56	**China Unicom**	CHU	**1,149.3**	13.73	0.00	**0**
8.19	3.14	**Siliconware Prec Ind**	SPIL	**1,002.0**	7.39	-0.11	**-1.47**
59.22	38.51	**China Mobile**	CHL	**936.6**	49.19	0.70	**1.44**
18.80	12.59	**SK Telecom**	SKM	**708.7**	17.27	0.13	**0.76**
52.68	21.10	**Infosys Tech**	INFY	**534.4**	52.30	-0.27	**-0.51**
6.84	3.71	**Mitsu UFJ Fnl**	MTU	**508.3**	5.37	-0.11	**-2.01**
76.61	33.93	**China Life Ins**	LFC	**348.6**	75.25	-0.72	**-0.95**
15.29	6.85	**Korea Elec Pwr**	KEP	**328.7**	14.54	-0.11	**-0.75**
19.56	15.05	**ChunghwaTel**	CHT	**320.1**	18.17	0.05	**0.28**
32.79	8.11	**Aluminum Cp of China**	ACH	**287.7**	28.47	-0.73	**-2.50**
9.50	3.96	**Nomura Hldgs**	NMR	**263.0**	6.92	0.03	**0.44**
20.10	4.05	**Yanzhou Coal Mining**	YZC	**245.7**	19.83	-0.23	**-1.15**
30.82	15.64	**Sony**	SNE	**203.2**	28.21	-0.24	**-0.84**
167.15	60.57	**CNOOC**	CEO	**155.1**	164.05	-2.58	**-1.55**
135.92	63.62	**PetroChina**	PTR	**153.5**	130.00	-0.91	**-0.70**
94.00	46.45	**China Petro & Chem**	SNP	**122.8**	89.20	0.91	**1.03**
150.50	42.35	**POSCO**	PKX	**121.5**	122.21	-0.29	**-0.24**
41.25	21.23	**Canon**	CAJ	**117.2**	38.66	-0.25	**-0.64**
34.43	19.78	**Huaneng Power Intl**	HNP	**103.8**	26.27	-0.40	**-1.50**
32.99	17.35	**Honda Motor**	HMC	**94.2**	31.69	-0.57	**-1.77**
17.66	9.94	**KT Corp**	KTC	**91.5**	17.04	-0.17	**-0.99**
87.67	55.41	**Toyota Motor**	TM	**69.9**	79.38	-0.93	**-1.16**
20.35	13.11	**NTT DoCoMo**	DCM	**65.7**	14.60	-0.05	**-0.34**
38.28	16.57	**Telekom Indonesia**	TLK	**61.0**	37.93	-0.08	**-0.21**
16.60	10.60	**Matsushita Elec**	PC	**59.6**	13.18	-0.28	**-2.10**

*Most active American depositary receipts tracked by Dow Jones

Source: WSJ Market Data Group

Global government bonds

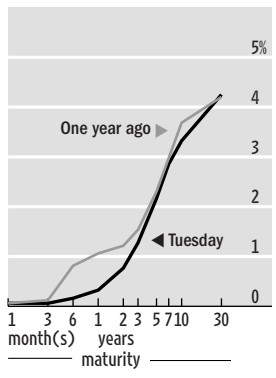
Latest, month-ago and year-ago yields and spreads over or under U.S. Treasurys on benchmark two-year and 10-year government bonds around the world. Data as of 11 a.m. ET

Coupon	Country/ Maturity, in years	Yield	SPREAD OVER TREASURYS, in basis points Latest	Previous	Month ago	Year ago	YIELD Previous	Month ago	Year ago
5.750%	**Australia** 2	**4.590%**	**382.9**	376.3	385.5	**233.5**	**4.545%**	4.824%	**3.476%**
4.500	10	**5.530**	**217.0**	216.1	225.8	**143.6**	**5.517**	5.674	**4.968**
5.250	**Austria** 2	**0.878**	**11.7**	8.8	11.3	**129.2**	**0.870**	1.082	**2.433**
4.350	10	**3.605**	**24.5**	21.7	33.2	**66.9**	**3.573**	3.748	**4.201**
3.500	**Belgium** 2	**1.026**	**26.5**	25.0	26.7	**145.5**	**1.032**	1.236	**2.596**
4.000	10	**3.637**	**27.7**	26.9	33.9	**72.0**	**3.625**	3.755	**4.252**
1.250	**Canada** 2	**1.315**	**55.4**	54.8	47.9	**78.1**	**1.330**	1.448	**1.922**
3.750	10	**3.388**	**2.8**	4.7	9.4	**1.4**	**3.403**	3.510	**3.546**
4.000	**Denmark** 2	**2.203**	**144.2**	141.1	144.6	**222.3**	**2.193**	2.415	**3.364**
4.000	10	**3.635**	**27.5**	26.3	25.1	**50.8**	**3.619**	3.667	**4.040**
1.500	**France** 2	**1.242**	**48.1**	46.1	50.9	**138.3**	**1.243**	1.478	**2.524**
3.750	10	**3.547**	**18.7**	18.3	21.5	**43.0**	**3.539**	3.631	**3.962**
1.250	**Germany** 2	**1.193**	**43.2**	40.6	44.7	**102.0**	**1.188**	1.416	**2.161**
3.250	10	**3.295**	**-6.5**	-7.1	-12.2	**11.6**	**3.285**	3.294	**3.648**
0.550	**Hong Kong** 2	**0.575**	**-18.6**	-20.7	-44.6	**-31.3**	**0.575**	0.523	**0.828**
2.640	10	**2.301**	**-105.9**	-106.0	-111.4	**-194.1**	**2.296**	2.302	**1.591**
3.750	**Italy** 2	**1.442**	**68.1**	64.7	68.4	**199.1**	**1.429**	1.653	**3.132**
4.250	10	**4.041**	**68.1**	66.4	63.6	**112.0**	**4.020**	4.052	**4.652**
0.300	**Japan** 2	**0.245**	**-51.6**	-53.7	-71.9	**-62.1**	**0.245**	0.250	**0.520**
1.300	10	**1.300**	**-206.0**	-204.1	-209.1	**-207.2**	**1.315**	1.325	**1.460**
4.000	**Netherlands** 2	**0.868**	**10.7**	6.9	9.6	**130.2**	**0.851**	1.065	**2.443**
4.000	10	**3.516**	**15.6**	15.5	20.6	**42.5**	**3.511**	3.622	**3.957**
3.200	**Portugal** 2	**1.117**	**35.6**	33.8	36.9	**184.6**	**1.120**	1.338	**2.987**
4.750	10	**3.782**	**42.2**	40.4	49.0	**81.6**	**3.760**	3.906	**4.348**
5.350	**Spain** 2	**1.324**	**56.3**	55.7	58.9	**162.4**	**1.339**	1.558	**2.765**
4.300	10	**3.828**	**46.8**	43.3	46.7	**62.2**	**3.789**	3.883	**4.154**
4.000	**Switzerland** 2	**0.487**	**-27.4**	-30.8	-42.4	**48.6**	**0.474**	0.545	**1.627**
3.000	10	**1.993**	**-136.7**	-138.9	-130.3	**-102.8**	**1.967**	2.113	**2.504**
3.250	**U.K.** 2	**1.230**	**46.9**	52.3	-9.3	**95.7**	**1.305**	0.876	**2.098**
4.500	10	**3.675**	**31.5**	31.9	19.0	**57.1**	**3.675**	3.606	**4.103**
1.000	**U.S.** 2	**0.761**	**...**	...	...	**...**	**0.782**	0.969	**1.141**
3.375	10	**3.360**	**...**	...	...	**...**	**3.356**	3.416	**3.532**

Source: Thomson Reuters

U.S. Treasury yield curve

The curve shows the yield to maturity of current bills, notes and bonds; all data as of 3 p.m. ET.



Ryan Index	Yield to maturity	Modified duration	TOTAL RETURN Month to-date	Quarter to-date	Year to-date	12-month
30-year Treasury	**4.251%**	16.76	0.10 %	–2.61 %	–21.10 %	2.96 %
10-year Treasury	**3.323**	8.43	0.77	0.39	–5.80	6.49
7 Year Treasury	**2.856**	6.21	0.97	1.08	...	...
Five-year Treasury	**2.168**	4.65	0.83	1.22	1.19	5.81
Ryan Index	**2.439**	6.82	0.61	0.29	–4.13	5.30
3 Year Treasury	**1.274**	2.93	0.63	0.96	2.03	4.05
Two-year Treasury	**0.766**	1.93	0.31	0.61	1.75	3.04
1 Year Treasury	**0.325**	1.00	0.10	0.22	0.98	1.83
Six-month Treasury	**0.162**	0.50	0.02	0.05	0.62	1.15
Ryan Cash Index-a	**0.152**	0.46	0.03	0.08	0.52	0.88
Three-month bill	**0.061**	0.25	0.01	0.04	0.35	0.39
One-month bill	**0.061**	0.08	...	0.01	0.14	0.15

a-Performance of a cash investment

Source: Ryan ALM

Key money rates

	Latest	52 wks ago
Prime rates		
U.S.	**3.25%**	4.00%
Canada	**2.25**	4.00
Japan	**1.475**	1.875
Britain	**0.50**	3.00
ECB	**1.00**	3.25
Switzerland	**0.53**	2.27
Australia	**3.50**	5.25
Hong Kong	**5.25**	n.a.
Libor		
One month	**0.23656%**	1.41375%
Three month	**0.26906**	2.17250
Six month	**0.50188**	2.58375
One year	**1.05500**	2.75500

	Latest	52 wks ago
Euro Libor		
One month	**0.39875%**	3.66625%
Three month	**0.67500**	4.10750
Six month	**0.97625**	4.16250
One year	**1.21375**	4.22375
Hibor		
One month	**0.09357**	1.09214%
Three month	**0.14214**	2.10000
Six month	**0.35286**	2.40000
One year	**0.61714**	2.59286
Asian dollars		
One month	**0.2426%**	1.43%
Three month	**0.2766**	2.1900
Six month	**0.5160**	2.6200
One year	**1.0650**	2.7760

	Offer	Bid
Eurodollars		
One month	**0.2800%**	0.1800%
Three month	**0.3800**	0.2800
Six month	**0.6000**	0.5000
One year	**1.5000**	0.7500

	Latest	52 wks ago
U.S. discount	**0.50%**	1.25%
Fed-funds target	**0.25**	1.00
Call money	**2.00**	2.75
Overnight repurchase rates		
U.S.	**0.13%**	0.33%
U.K. (BBA)	**0.485**	2.525
Euro zone	**0.35**	2.85

Sources: WSJ Market Data Group; Reuters

MARKETS LINEUP

Moving the markets

At right, Japan's benchmark stock index and the biggest movers among the larger Asian stocks indexes and stocks Wednesday. Below each index are its most actively traded stocks. The charts show the percentage change in each index's or stock's value, rather than the point change, for purposes of comparison. The index level or stock price is indicated on each axis. All indexes and stocks are shown in local currency terms.

WSJ.com

Follow the markets throughout the day, with updated stock quotes, news and commentary at **WSJ.com.**.
Also, receive emails that summarize the day's trading in Europe and Asia.
To sign up, go to **WSJ.com/Email**

Asian index movers...

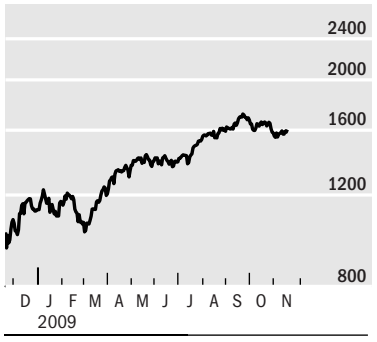
Nikkei Stock Average
Japan 9676.80
▼ **0.55% or 53.13**

Real-estate and finance stocks slid on concern over plans for large share sales. Japan Airlines fell 3.9% after the transport minister declined to rule out a court-led bankruptcy.

Stock	Volume in millions	Close	Change Net	Change %
Mizuho Financial	**185.89**	166	–4	–2.35
NEC	**148.16**	222	–13	–5.53
Mtshbsh Fin Grp	**89.63**	484	–3	–0.62
JapanAirlines	**85.11**	98	–4	–3.92
Toshiba	**63.82**	465	8	1.75

Kospi
South Korea 1603.97
▲ **1.13% or 17.99**

Recent underperformers such as brokerage firms helped lift the Kospi. Daewoo Securities gained 6.6% and Samsung Securities climbed 2.7%.



Stock	Volume in millions	Close	Change Net	Change %
Baemyung Metal	**15.92**	1,230	70	6.03
Hynix Semi	**10.87**	18,750	350	1.90
Eugene Invt	**8.35**	985	5	0.51
Kco Energy	**8.27**	560	–30	–5.08
Hansol Homedeco	**7.91**	870	15	1.75

Straits-Times
Singapore 2745.04
▼ **0.72% or 19.91**

Investors grew cautious after the strong recent run-up in the index. Banks were mostly weaker on profit-taking. United Overseas Bank fell 1.4%.

Stock	Volume in millions	Close	Change Net	Change %
Genting Spore	**62.58**	1.11	unch	...
Golden Agri	**38.80**	0.45	–0.01	–1.10
CapitaLand	**22.73**	4.10	–0.03	–0.73
Noble Grp	**17.24**	2.78	0.02	0.72
Sing Telecom	**12.96**	2.92	–0.05	–1.68

Hang Seng
Hong Kong 22840.33
▼ **0.32% or 73.82**

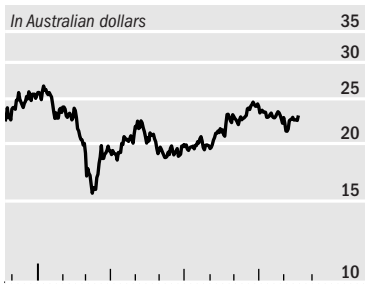
Property stocks, which have jumped recently, declined on profit-taking. New World Development fell 1.9% and Sun Hung Kai Properties shed 0.8%.

Stock	Volume in millions	Close	Change Net	Change %
Bank Of China	**424.46**	4.83	–0.10	–2.03
Icbc	**336.86**	7.02	0.12	1.74
ChinaPetroChem	**199.87**	6.89	0.10	1.47
CCB	**168.08**	7.34	–0.05	–0.68
PetroChina	**56.55**	10.12	unch	...

Asian stocks in the news

QBE Ins Grp
Australia A$23.01
▲ **2.5% or A$0.57**

The insurer rebounded after a fall Tuesday on a report it may bid for Insurance Australia Group.

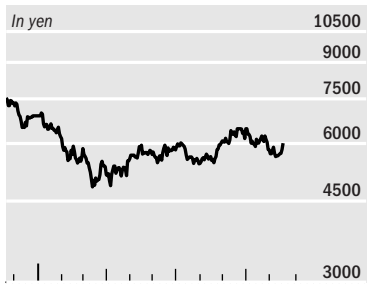


	Price-to-earnings ratio	11
	Earnings per share, past four quarters	2.14
	Dividend yield	2.7

	PERCENTAGE CHANGE Daily	1 wk.	52 wks
Insurance	**0.6%**	0.2%	23.7%
QBE Ins Grp	**2.5%**	0.9%	3.0%

East Japan Railway
Japan ¥6,010
▲ **3.3% or ¥190**

Defensive stocks like railways were stronger amid cautious sentiment in Japan.

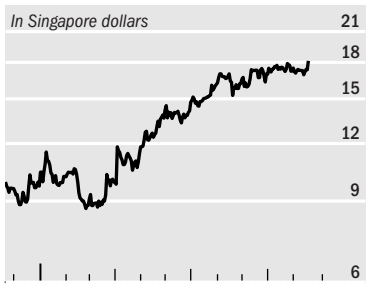


	Price-to-earnings ratio	18
	Earnings per share, past four quarters	327.50
	Dividend yield	1.8

	PERCENTAGE CHANGE Daily	1 wk.	52 wks
Travel & Leisure	**0.6%**	2.1%	11.9%
East Japan Railway	**3.3%**	6.6%	-20.3%

Jardine Strategic
Singapore S$18.14
▲ **4.6% or S$0.80**

CLSA sald the company offers value, trading at a deep discount to net asset value.



	Price-to-earnings ratio	none
	Earnings per share, past four quarters	...
	Dividend yield	1.1

	PERCENTAGE CHANGE Daily	1 wk.	52 wks
Indus Gds & Svcs	**-0.3%**	-1.8%	53.7%
Jardine Strategic	**4.6%**	5.0%	83.2%

Pacific Basin Shipping
Hong Kong HK$6.61
▲ **5.4% or HK$0.34**

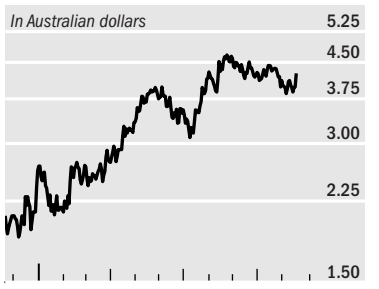
Shippers rose after the Baltic Dry Index set a year-to-date high Tuesday.

	Price-to-earnings ratio	10
	Earnings per share, past four quarters	0.64
	Dividend yield	1.2

	PERCENTAGE CHANGE Daily	1 wk.	52 wks
Indus Gds & Svcs	**-0.3%**	-1.8%	53.7%
Pacific Basin Shipping	**5.4%**	7.8%	88.9%

Arrow Energy
Australia A$4.26
▲ **7.0% or A$0.28**

UBS raised its target price on the company to A$5.19 ahead of its annual meeting Friday.

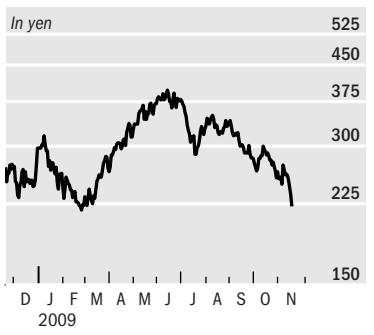


	Price-to-earnings ratio	8
	Earnings per share, past four quarters	0.52
	Dividend yield	none

	PERCENTAGE CHANGE Daily	1 wk.	52 wks
Oil & Gas	**-0.2%**	-0.3%	81.7%
Arrow Energy	**7.0%**	6.0%	103.8%

NEC
Japan ¥222
▼ **5.5% or ¥13**

The firm set the price for its $1.3 billion share sale at 215 yen each.



	Price-to-earnings ratio	58
	Earnings per share, past four quarters	3.80
	Dividend yield	1.8

	PERCENTAGE CHANGE Daily	1 wk.	52 wks
Technology	**0.4%**	0.7%	76.6%
NEC	**-5.5%**	-14.9%	-17.8%

Belle Intl
Hong Kong HK$8.62
▼ **5.6% or HK$0.51**

UBS and Goldman downgraded the stock after its recent run-up.

	Price-to-earnings ratio	30
	Earnings per share, past four quarters	0.29
	Dividend yield	0.9

	PERCENTAGE CHANGE Daily	1 wk.	52 wks
Personal & Hshld Gds	**-0.2%**	-0.4%	23.9%
Belle Intl	**-5.6%**	1.7%	181.7%

Sumitomo Mitsui Finl
Japan ¥2,850
▼ **5.9% or ¥180**

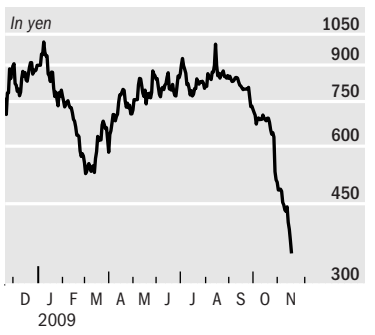
The company posted a rise in first-half profit but confirmed plans to raise up to $11.2 billion.

	Price-to-earnings ratio	13
	Earnings per share, past four quarters	216.20
	Dividend yield	3.2

	PERCENTAGE CHANGE Daily	1 wk.	52 wks
Banks	**-0.2%**	-1.4%	55.6%
Sumitomo Mitsui Finl	**-5.9%**	-10.9%	-9.2%

Leopalace21
Japan ¥351
▼ **6.1% or ¥23**

Macquarie issued a negative outlook for corporate demand for temporary rental accommodation.



	Price-to-earnings ratio	none
	Earnings per share, past four quarters	-119.70
	Dividend yield	none

	PERCENTAGE CHANGE Daily	1 wk.	52 wks
Personal & Hshld Gds	**-0.2%**	-0.4%	23.9%
Leopalace21	**-6.1%**	-18.9%	-54.1%

Tokyo Tatemono
Japan ¥323
▼ **16.5% or ¥64**

The company said it will raise up to $511 million in a share issue.

	Price-to-earnings ratio	23
	Earnings per share, past four quarters	13.90
	Dividend yield	3.1

	PERCENTAGE CHANGE Daily	1 wk.	52 wks
Real Estate	**-1.0%**	-1.4%	62.6%
Tokyo Tatemono	**-16.5%**	-25.7%	26.7%

MARKETS

HEARD ON THE STREET

Email: heard@wsj.com FINANCIAL ANALYSIS & COMMENTARY WSJ.com/Heard

Inequity issues at Japanese banks

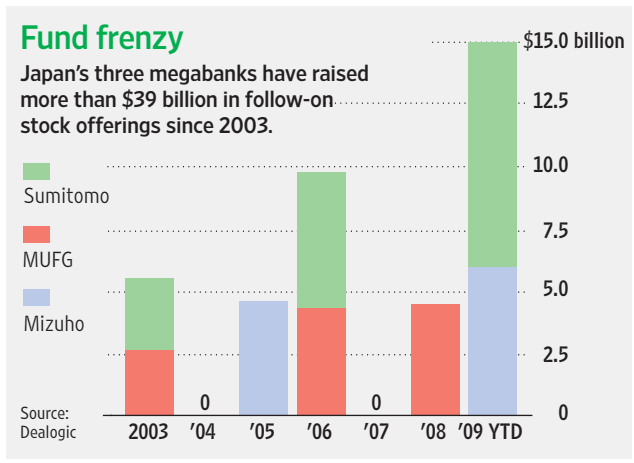
Call it capital punishment.

Having already sold almost $20 billion in equity in the past year, Japan's megabanks are coming back for more. **Mitsubishi UFJ Financial Group** said Wednesday it will issue up to $11 billion of common stock to bolster its capital base.

As it is, MUFG, whose announcement came as no surprise, has the strongest balance sheet of the three, so the others, **Mizuho Financial Group** and **Sumitomo Mitsui Financial Group**, are sure to follow soon.

What prompted this? In part, it's anticipation of new rules that will force global lenders to improve the quality of their capital. The changes could mean preferred stock, hybrid securities and deferred tax assets, which feature big in Japanese capital ratios, will no longer count toward basic requirements.

To meet the new benchmarks, the three banks will have to raise at least $25 billion, according to Deutsche Bank figures.



The biggest blow to shareholders should come from Mizuho, which will need $14 billion just to get to an 8% common Tier 1 ratio, from 3.1% at the end of March.

But global regulators aren't the only reason the banks need funds. The Japanese banks can fault their own traditions as well.

A key culprit is the practice among banks and their borrowers of holding equity stakes in each other. Lenders say this helps to cement business ties, an argument not yet proved.

What has been proved is that the practice has led to substantial losses during the global economic downturn. These totaled nearly $12 billion at the three big banks in the year through March.

The stock market's upturn has undone some, but not all, of this. MUFG's two banking units said Wednesday that stock losses totaled $122 million in the first half. A year ago those losses were $880 million.

Even on a case-by-case basis, the situation doesn't look great. Not only does **Japan Airlines**, which is seeking a government bailout to stay alive, owe the big three banks $2.2 billion, MUFG's and Mizuho's banking units are the carrier's two largest shareholders. Their combined stake is 6.5%.

JAL stock has halved this year, closing Wednesday below the psychologically critical level of 100 yen ($1.12) a share—cheaper than a can of soda.

Worse, what restructuring plan does emerge could force debt write-offs, or wipe out equity holdings, or both.

> Banks are reducing cross-shareholdings, which had resulted in substantial losses during the economic downturn

The good news for shareholders is that the big banks are reporting rising profits again and reducing their cross-shareholdings. At MUFG, profits rose 53% to $1.6 billion in the six months through September.

But this is the third time in six years that the big banks have asked for more funds.

This time, investors need to think long and hard before giving them another reprieve.

OVERHEARD

Tax rebellion is back in Britain's overseas territories. **W. McKeeva Bush**, the Cayman Islands' premier, is defying U.K. pressure to introduce taxes to cover a $100 million deficit. He says the biggest threat to stability comes not from tax havens but from "metropolitan countries" with "their complete overburdening of taxation." The Cayman model will survive because "wealth knows that it is safe with us."

* * *

Authors are slugging it out with competing financial-crisis narratives. **Depository Trust & Clearing** is weighing in with a slender, cartoon-rich tome. The "Guide to Clearance & Settlement" explains an unglamorous financial pillar, with such page-turning chapters as "Matching and Netting." Overheard welcomes the DTCC's modesty: "We don't expect our book to be a wild runaway New York Times best seller."

—overheard@wsj.com

Daimler gets right formula for auto-racing team

What does **Daimler** know about Formula 1 that other auto manufacturers don't?

The German auto maker is revving up for the 2010 season with a new stand-alone team, to go alongside its venture with McLaren, for which it provides the engines.

Others are stuck in reverse. **Toyota Motor** and **BMW** have just quit a year after **Honda Motor**'s exit. **Renault** is reconsidering its F1 future. If the French company pulls out, it would leave Daimler's Mercedes and **Fiat**'s Ferrari as the only major manufacturers in the sport.

But Daimler might have gotten its timing just right. F1 suddenly has become cheap. A fight among manufacturers and the sport's governing body, the FIA, on how to reduce F1 running costs has led to an agreement to cap spiraling budgets. One example: the limit of 16 engines per team of two drivers. In the past, teams would build as many as 100 a year.

Those controls could reduce the cost for a stand-alone Mercedes team to €60 million ($89.8 million) in 2011 from the €240 million it would have spent two years ago.

At that price, F1 becomes a competitive marketing strategy given an international television audience running into hundreds of millions a year.

That strategy still requires success on the track.

A lack of podium finishes might have hastened Honda's, Toyota's and BMW's exits. Honda came in second to last in 2008. Toyota and BMW ended fifth and sixth, respectively, in the 10-team 2009 constructor's championship. Toyota says it is quitting for economic reasons. BMW says F1 doesn't fit with having a new green image.

In contrast, the Brawn GP team that Daimler just bought in partnership with cash-rich Abu Dhabi's **Aabar Investments** and which will be rebranded Mercedes, came in first this year. The Vodafone McLaren Mercedes team, meanwhile, came in third in 2009 and second in 2008.

Despite talk of F1's doom during the credit crunch, the business looks set to emerge leaner from the crisis. And, with large audiences in emerging markets such as Brazil and the Middle East, it targets an attractive growth area for auto makers who still are burdened by overcapacity in sluggish mature markets.

It looks like Daimler is on the right track.

—Matthew Curtin

中国实时报
CHINAREALTIMEREPORT
Your comprehensive resource for news and analysis on China, covering the hottest topics of the day in business, finance, law, policy, economics and culture.
In English at asia.WSJ.com/chinarealtime
In Chinese at cn.WSJ.com/chinarealtime
Join the conversation today.

Published by Dow Jones Publishing Company (Asia). Printed in Hong Kong by Superflag Advertising and Communication Limited, 8 Chun Ying Street, NT. Printed in Indonesia by PT Gramedia Printing Group, Jalan Palmerah Selatan 22-28, Jakarta 10270. Printed in Japan by Yomiuri Shimbun, 1-7-1, Otemachi, Chiyoda-ku, Tokyo 100-8055. Printed in Korea by JoongAng Ilbo, 7, Soonwha-Dong, Chung-Ku, Seoul 100-130. 1997 June 04 Registration no.: SeoulKA00020 (Daily Newspaper), Publisher/Editor/Printer: Song, PilHo. Printed in Malaysia by KHL Printing Co. Sdn. Bhd. (ROC No: 235060-A) Lot 10 & 12, Jalan Modal 23/2, Seksyen 23 Kawasan Miel Phase 8, 40000 Shah Alam, Selangor, Malaysia. Printed in Philippines by FEP Printing Corporation, 387 Mascardo St., Corner Metropolitan Ave., Pasong Tamo, Makati City. Printed in Singapore by KHL Printing Co. Pte Ltd., 57 Loyang Drive, Singapore 508968. Printed and distributed in Taiwan by The China Post, 8 Fu Shun Street, Taipei 104. Printed in Thailand by Nation Multimedia Group Public Co., Ltd., 1854 Bangna-Trad Road, (K.M. 4.5), Prakanong, Bangkok 10260. Published and printed on behalf of the Wall Street Journal India Publishing Pvt Ltd, 5178 World Trade Centre, Barakhamba Lane, New Delhi 110001 by Mr Suman Dubey at A-8 Sector 7, Gautam Budh Nagar, Noida-201301 and PLOT No.EL-208, TTC Industrial Area, Mahape, Navi Mumbai - 400710 (Maharashtra), India. Editor: Suman Dubey, phone: +91-1164620215. ACP no. F-2 (1/3) Press / 2009 FACSIMILE EDITION.